

ALASKA LEGISLATURE COMMITTEE BILL FILES - 1987 - 1988 8879

HCR 1, HCR 1-2, SJR 1, HR 2, 163 163

HCR

!

# HOUSE COMMITTEE REPORT

(11)

Date referred: 1/28/87

FURTHER REFERRALS:

DATE: 2-2-87

The Finance Committee has considered HCR 1

Relating to the highway between Eklutna and Palmer.

**RECOMMENDS:**

- replace with \_\_\_\_\_  the same title
- attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

**ADOPTS:**  \_\_\_\_\_ letter of intent

**ATTACHES NEW FISCAL NOTE(s):**

- fiscal impact  same as previous fiscal note published \_\_\_\_\_
- zero fiscal note  same as previous zero fiscal note published \_\_\_\_\_
- zero with analysis

**SIGNING DO PASS:**

[Signature]  
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**SIGNING OTHER RECOMMENDATIONS:**

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\_\_\_\_\_

[Signature]  
Chairman's signature

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

REQUEST 1-30-87

Bill Version: HCR 1  
Publish Date: \_\_\_\_\_

Revision Date: 1-30-87  
Title: Hwy between Eklutna and Palmer

Agency Affected: DOT&PF  
BRU: \_\_\_\_\_

Sponsor: Menard & Larson  
Requestor: Adams

Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						55.0
TRAVEL						
CONTRACTUAL						125.0
SUPPLIES						70.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	\$250.0
CAPITAL	\$305.0*	\$200.0*	\$8,000.0*	\$35,100.0	\$17,000.0	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND	15.2	10.0	421.6	1,849.8	895.9	250.0
FEDERAL FUNDS	289.8*	190.0*	7,578.4*	33,250.2	16,104.1	
OTHER						
TOTAL	305.0*	200.0*	\$8,000.0*	\$35,100.0	\$17,000.0	\$250.0

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	1
PART-TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

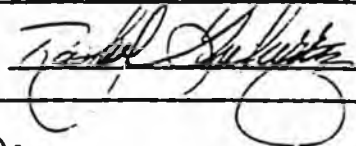
ANALYSIS:

— See attached page —

\* Federal Authorization for these amounts has already been received. The Department will request authorization to receive and expend the additional federal funds in subsequent capital budget requests.

Prepared by: William R. Snell (signed)  
Division: Deputy Commissioner, Central Region

Phone: 266-1440  
Date: 1/30/87

Approved by Commissioner:   
Agency: \_\_\_\_\_

Date: 2/2/87

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
Senate Secretary

Fiscal Note Analysis  
HCF. 1

1. Analysis of the fiscal impact on existing programs.

The total cost of the project is estimated to be \$142,000,000. The first phase, the widening of a the Glenn Highway to four lanes from Eklutna to the Parks Highway, is estimated to cost \$60,000,000. The Department already has approximately \$8,000,000 of this authorization which will enable work to continue through FY'89. The additional estimated \$52,000,000 authorization, which will be needed to complete the first phase of the project, will be included in future budget requests.

The ultimate project, which would contain interchanges at the Parks and Old Glenn Highways, is estimated to cost \$142,000,000. The \$100,000 authorization for the Preliminary Engineering of the Glenn Highway/Parks Highway Interchange is anticipated to be requested in FY'90. The balance of the needed funding is beyond the horizon of the 6-year Capital Improvement Program.

2. Analysis of the fiscal impact on new programs.

This project is currently under development.

3. Analysis of how the figures in the fiscal note were developed.

The FY'90 \$35,100,000 and the FY'91 \$17,000,000 capital amounts are the Department's current best estimate of authorization needed to complete the first phase. \$100,000 of the \$35,100,000 amount will allow the start of preliminary engineering for the Parks/Glenn Interchange.

Beginning in FY'92 there would be at least \$250,000 yearly in additional maintenance costs. This is computed by multiplying 30 new lane miles of road: 10 miles x 3 (2 additional lanes + wide shoulders) by the estimated \$7,500 cost per lane mile and providing for \$25,000 annual repairs to the new bridges. If at that time new equipment is required, the costs could be substantially higher.

4. Other information.

The DOT&PF agrees that widening the Glenn Highway from Eklutna to Parks Highway to four lanes is a much needed project, and in fact, has included it as a high priority in the Six Year Capital Improvement Program. Through the Mat-Su Borough planning process, this project has been identified as the top priority project for the area.

Specifically, the ultimate project would widen the Glenn Highway to four lanes from Eklutna to the Parks Highway with interchanges at the Parks and Old Glenn Highways. The first phase of the project (widening to four lanes) is estimated to cost \$60,000,000. The total cost with interchanges is estimated to be \$142,000,000.

The Department spent approximately \$460,000 in FY'83-'85, \$270,000 in FY'86, and we estimate \$305,000 will be spent in FY'87 and \$200,000 in FY'88 on this project. This money was spent to meet project develop requirements of the Federal Highway Administration (FHWA) such as the location report, Draft Impact Statement, etc. As mentioned above, additional authorization will be requested in future budgets when needed.

A community meeting was held in Wasilla on October 29, 1985 to introduce the project and explain the development process of a federal aid project. One of the major hurdles, the Draft Environmental Impact Statement (DEIS), was submitted to the FHWA on December 18, 1986. Following approval of the DEIS by the FHWA, the project will proceed to design. We anticipate that right-of-way acquisition could begin as early as 1989 and construction could be completed in 1992. At this time there is no reason to believe this project cannot be developed in a timely manner.

Wetlands and wildlife habitat impacts are part of the social and environmental issues being addressed in the DEIS. We do not anticipate any problems with the wetlands as the Alaska Legislature exempted the right-of-way for the project from legislation establishing the Palmer Hay Flats Game Refuge (AS 16.20.032), and the U.S. Fish and Wildlife Service and the Corps of Engineers have cooperated with our development efforts. There will be some required wetland mitigation, but the extent will not be known until the DEIS has been accepted by the FHWA.

Introduced: 1/19/87  
Referred: Transportation  
and Finance

1 IN THE HOUSE

BY MENARD AND LARSON

2

HOUSE CONCURRENT RESOLUTION NO. 1

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

Relating to the highway between Eklutna

6

and Palmer.

7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8

WHEREAS the highway between Eklutna and the Palmer-Wasilla inter-  
9 section is a main artery for commercial and residential traffic; and

10

WHEREAS the highway is presently only a two-lane highway; and

11

WHEREAS the latest annual statistics concerning the daily traffic  
12 volume reflect a substantial increase in traffic volume; and

13

WHEREAS the commercial and residential use of this highway is expected  
14 to increase even further;

15

BE IT RESOLVED that the Alaska State Legislature respectfully requests  
16 the Governor to direct the Department of Transportation and Public Facili-  
17 ties to proceed as expeditiously as possible with the Glenn Highway widen-  
18 ing, Eklutna North project.

**STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE**

**REQUEST:** \_\_\_\_\_

Bill Version : HCR 1

Publish Date : \_\_\_\_\_

Revision Date: \_\_\_\_\_

Agency Affected: DOT&PF

Title : Hwy between Eklutna and Palmer

BRU: \_\_\_\_\_

Sponsor : Menard & Larson

Components : \_\_\_\_\_

Requestor : Cato

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

<b>CAPITAL</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
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<b>REVENUE</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
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**FUNDING: (Thousands of Dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** (Attach a separate page if necessary) The Dept. of Transportation and Public Facilities has requested federal authorization to continue to develop the Glenn Hwy widening project. Future federal authorization will be requested as needed.

Prepared by: Mark S. Hickey *M.S.H.*  
Division: Deputy Commissioner, Operations

Phone: 465-3900

Date: 1-26-87

Approved by Commissioner: *Rachel*  
Agency: DOT & PF

Date: 1/26/87

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

Received 2/9/87  
Reported out 2/2/87

HCR 1



## Dept. of Transportation & Public Facilities

# *Position Paper*

**BILL NO:** HCR 1

**APPROVED:** Rocky Gutierrez  
Commissioner

**TITLE:** Relating to the Highway  
between Eklutna and Palmer

**DATE:** January 26, 1987

---

The DOT&PF agrees that widening the Glenn Highway from Eklutna to the Parks Highway is a much needed project, and in fact, has included it as a high priority in the Six Year Capital Improvement Program.

Specifically, this project would widen the Glenn Highway to four lanes from Eklutna to the Parks Highway with interchanges at the Parks and Old Glenn Highways. The first phase of the project (widening to four lanes) is estimated to cost \$59,000,000. The total cost with interchanges is estimated to be \$142,000,000.

A community meeting was held in Wasilla on October 29, 1985 to introduce the project and explain the development process of a federal aid project. One of the major hurdles, the Draft Environmental Impact Statement (DEIS), was submitted to the FHWA on December 18, 1986. Following approval of the DEIS by the FHWA, the project will proceed to design. We anticipate that right-of-way acquisition could begin as early as 1989 and construction could be completed by 1991. At this time there is no reason to believe this project cannot be developed in a timely manner.

Wetlands and wildlife habitat impacts are part of the social and environmental issues being addressed in the DEIS. We do not anticipate any problems with the wetlands as the Alaska Legislature exempted the right-of-way for the project from legislation establishing the Palmer Hay Flats Game Refuge (AS 16.20.032), and the U.S. Fish and Wildlife Service and the Corps of Engineers have cooperated with our development efforts. There will of course be some required wetland mitigation. The extent of which will not be known until the DEIS has been accepted by the FHWA.



# Matanuska-Susitna Borough

BOX B. PALMER, ALASKA 99645 • PHONE 745-4801

BOROUGH MANAGER

December 2, 1985

A handwritten signature in cursive script, likely belonging to the Borough Manager.

State of Alaska  
Department of Transportation  
& Public Facilities  
Environmental Section  
P. O. Box 196900  
Anchorage, Alaska 99519-6900

Gentlemen:

Re: Glenn Highway, Eklutna to Parks

The Matanuska-Susitna Borough supports upgrade of the Glenn Highway - Eklutna to the Parks Highway.

We attended sessions where the various environmental consequences of the project have been discussed. We have also evaluated various statements by various public agencies having an interest in the project. In our opinion the various environmental concerns can be dealt with. Since you are dealing with parallel bridges and a parallel causeway, you are dealing with as few environmental variables as you will ever have occasion to deal with on a major project.

We have some minor recommendations which should not appreciably affect the cost of the project. We urge DOT/PF to consider the attached comments of the Borough Planning Department in the design of the project.

The traffic congestion on this route is severe and the threat to safe and efficient vehicle operation will increase with time. The widening to first four and then eventually six lanes is vital. The 1984 ADT (average daily traffic) was approximately 15,500 vehicles. There were 250 traffic accident on this section of the Glenn Highway between 1982 and 1984.

We believe the project should receive the highest priority possible for a timely upgrade.

## PROJECT DESCRIPTION

The Glenn Highway is the primary highway route between Anchorage and the rapidly growing Palmer/Wasilla area. Improvements to the Glenn Highway are considered necessary to provide for the existing and projected traffic demand.

The proposed project begins near the railroad overcrossing at Eklutna where the existing four-lane facility terminates. The proposed project ends at a point on the Parks Highway approximately two miles northwest of the Glenn/Parks Intersection, and at a point on the Glenn Highway approximately 1.4 miles northeast of the Glenn/Parks Intersection. The total length of the project is approximately 13 miles.

The portion of the Glenn Highway to be improved by this project is presently a two-lane rural highway. The proposed improvement would provide a six-lane divided highway. The existing two-lane highway would be widened to three lanes and would be used for northbound traffic. Three new lanes for southbound traffic would be constructed to the west of the existing road.

Access to the new highway would be fully controlled to allow for the most efficient traffic flow. As a result, certain roads and driveways that currently intercept the Glenn Highway would be closed, or rerouted to frontage roads and other access roads that would feed into proposed interchanges. Three interchanges would be constructed: one at the Old Glenn Highway, one at the Glenn/Parks Intersection, and one at the proposed New Trunk Road.

Various methods of providing access to the boat launching area at the Knik River are being investigated.

### Bridges

Bridges for the southbound lanes of traffic would be constructed downstream of the existing Knik River and Matanuska River bridges. The existing bridges would be widened to serve the northbound lanes.

The three proposed interchanges: Glenn/Parks Interchange, Old Glenn Highway Interchange, and the Trunk Road Interchange would require bridges for grade separations (i.e. overpasses for railroad crossings, etc.).

### Frontage Roads

1. A proposed frontage road may provide access to the property served by the driveway at the old FAA towers near Eklutna; this frontage road would funnel traffic to existing roads in Eklutna Village.

2. Access to Rabbit Slough and private property west of the proposed Glenn/Parks Interchange may be provided by a frontage road system. This frontage road system would be accessible via the Parks Highway.

3. Access to Kepler-Bradley State Park and properties north of the proposed Glenn/Parks Interchange may be provided by a frontage road system. This frontage road system would extend from the Old Trunk Road to the Kepler-Bradley Lakes area.

Right-of-Way

Additional right-of-way would be required for the proposed Glenn/Parks Interchange, the proposed Old Glenn Interchange, the proposed Trunk Road Interchange, and portions of the proposed frontage roads. Some businesses and private property may be impacted by right-of-way acquisition.

Wetlands

Approximately 160 acres of wetlands may be filled by the project as presently proposed. These wetlands provide habitat for salmon, moose, waterfowl, and a variety of small mammals.

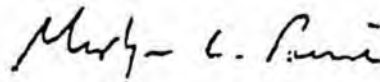
Floodplains

Fill, rip-rap, portions of the highway, and the new river bridges would be placed in the 100 year floodplain of the Knik and Matanuska Rivers.

Your comments on this proposal are needed to ensure that all factors are considered in the preparation of the Environmental Impact Statement and that our final recommendations are in the best overall interest of the public. Transmittal of any information you may have concerning environmental, economic, or social concerns and land use issues would be appreciated, and any comments or suggestions regarding the proposed roadway alignment or other project related concerns are welcomed.

For further information about the project and scoping meetings contact Melanie Caltrider, Environmental Analyst, Central Region ADOT&PF at 266-1507.

Sincerely,



Marilyn L. Paine  
Environmental Coordinator  
Central Region ADOT&PF

MC/MP/mhb

Attachments: Project Map  
Agency Scoping Meeting Agenda

1 IN THE SENATE

BY KERTTULA

2

SENATE BILL NO. 84

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act providing for the issuance of general obliga-  
7 tion bonds in the amount of \$65,000,000 for the  
8 purpose of paying the cost of capital improvements  
9 for construction of a highway from Eklutna to the  
10 junction of the Parks Highway and the Glenn Highway;  
11 and providing for an effective date."

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

13 \* Section 1. For the purpose of paying the cost of capital improvements  
14 for construction of a highway from Eklutna to the junction of the Parks  
15 Highway and the Glenn Highway, general obligation bonds of the state in the  
16 principal amount of not more than \$65,000,000 shall be issued and sold.  
17 The full faith, credit, and resources of the state are pledged to the  
18 payment of the principal of and interest and redemption premium, if any, on  
19 these bonds. These bonds shall be issued under the provisions of AS 37.15  
20 as those provisions read at the time of issuance.

21 \* Sec. 2. If the issuance of these bonds is authorized by the qualified  
22 voters of the state, a special fund of the state to be known as the "1988  
23 Eklutna Highway Bond Fund" shall be established, to which shall be credited  
24 the proceeds of the sale of the bonds described in sec. 1 of this Act  
25 except for the accrued interest and premiums.

26 \* Sec. 3. The amount of \$65,000,000 is appropriated from the "1988  
27 Eklutna Highway Bond Fund" to the Department of Transportation and Public  
28 Facilities to be used for the purpose described in sec. 1 of this Act.

29 \* Sec. 4. If the issuance of these bonds is authorized by the qualified

1 voters of the state, the amount of \$227,500 or as much of that amount as is  
2 found necessary is appropriated from the general fund of the state to the  
3 state bond committee to carry out the provisions of this Act and to pay  
4 expenses incident to the sale and issuance of the bonds authorized in this  
5 Act. The amounts expended from the appropriation authorized by this sec-  
6 tion shall be reimbursed to the general fund from the proceeds of the sale  
7 of the bonds authorized by this Act. .

8 \* Sec. 5. The amount withdrawn from the public facility planning fund  
9 for the purpose of advance planning for the improvements financed under  
10 this Act shall be reimbursed to the fund from the proceeds of the sale of  
11 bonds authorized by this Act.

12 \* Sec. 6. The question whether the bonds authorized in this Act are to  
13 be issued shall be submitted to the qualified voters of the state at the  
14 next general election and shall read substantially as follows:

15 Proposition

16 State General Obligation Eklutna Highway

17 Construction Bonds \$65,000,000

18 Shall the State of Alaska issue its general obligation  
19 bonds in the principal amount of not more than \$65,000,000  
20 for the purpose of paying the cost of capital improvements  
21 for Eklutna highway construction?

22 Bonds Yes [ ]

23 Bonds No [ ]

24 \* Sec. 7. This Act takes effect immediately under AS 01.10.070(c).

25  
26

Matanuska - Susitna Borough  
assembly memorandum

no. IM 84-

from: Department of Public Works date: 11/6/84  
subject: Glenn Highway Four Lane Improvement from Eklutna to the Parks Highway Intersection

A number of estimates have been stated publicly over the past several months regarding the cost of construction for the additional two lanes between the Eklutna Flats and the Parks Highway. The Department of Transportation and Public Facilities has two estimates for the four lane work within the limits described above. One estimate is in the amount of \$58,000,000, which would include design, right of way, utilities, construction and contract administration for four-lane highway construction, bridges, etc. between Eklutna and the Parks Highway with signalized intersection at the Parks-Glenn intersection.

A second estimate includes the four-laning with bridges, utilities, right of way design and construction for the project referenced above, except for the intersection at the Parks-Glenn Highway, which would include the ultimate design of an interchange for free traffic flow instead of the signalized intersection in the estimate above. The cost estimate for this work is \$104,548,000.

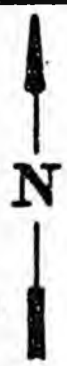
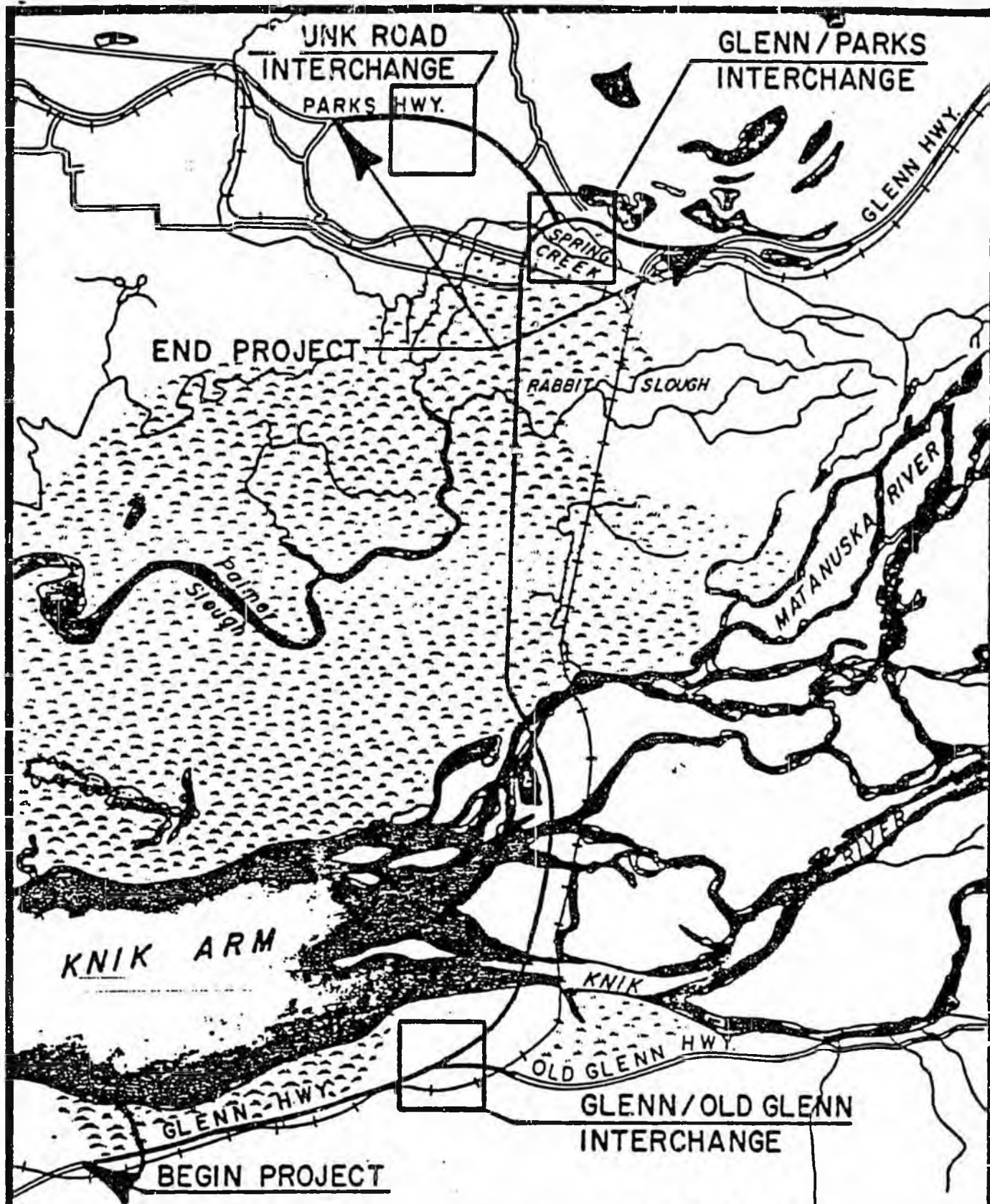
Respectfully submitted,

*Rodger Wm Lewerenz*  
Rodger Wm. Lewerenz, P.E.  
Borough Engineer

Reviewed and approved:

Gary Thurlow  
Borough Manager


map



**LEGEND**

 WETLANDS

**SCALE**

 1" = 1 MILE

STATE OF ALASKA  
DEPARTMENT OF TRANSPORTATION  
AND PUBLIC FACILITIES

GLENN HIGHWAY, EKLUTNA  
TO PARKS HIGHWAY  
1-0A1-5(1)  
LOCATION MAP



# City/State /Alaska Life /Weather

# B

## Glenn Highway project gets boost

By James D. Wasserman  
Times Juneau Bureau

JUNEAU — The House Transportation Committee dealt the Glenn Highway's "dance of death" a minor blow Monday, removing the first of many hurdles to creating a four-lane highway across Eklutna flats.

The committee approved a resolution by Rep. Curt Menard, R-Wasilla, asking the state to commit as soon as possible to a road-widening project between Eklutna and the Parks Highway intersection.

The federal government, which will pay between 80 and 90 percent of the \$142 million cost,

### Legislators ask state to make road commitment

has scheduled construction to begin in late 1989 and take three years to finish. But the state, which has already paid \$375,000 toward design costs, has to put up its share of the money before it begins.

"I share those two lanes with 6,930 other commuters during peak hours," said Barbara Hunt, a former Mat-Su borough planning commissioner testifying on behalf of the resolution. "One of the papers called it the dance of death a couple of years ago.

They're not kidding. It's very scary sometimes, many times."

The highway is the main commuting route between Anchorage and the Palmer and Wasilla areas, and the quickest way north for truck traffic. Alaska Truckers Association representative T.J. Thrasher told the committee that truckers get frustrated by traffic bottlenecks on the route.

The resolution, described by committee chairwoman Bette Cat?, D-Valdez, as something

"primarily to draw DOT's (Department of Transportation) attention to it," now goes to the House Finance Committee for consideration.

It mirrors a near-identical resolution introduced in the Senate last week by Sen. Jay Kertula, D-Palmer. Kertula also submitted a bill that would put a \$65 million bond issue before voters with the intention of rebuilding both the highway and the rail-road corridor across the flats.

He called that the "ultimate"

plan, though, saying it's more likely that the total cost to the state will be \$20 million for just the road and three bridges.

Menard said Mat-Su legislators want to see the project begin as soon as possible so it doesn't lose its federal funding. Among those passing resolutions of support have been the Mat-Su borough and the Palmer and Wasilla chambers of commerce.

"Our selling point is that it's a federal project . . . a big project that would help the economy,"

he said.

Still, committee member Henry Springer, a Bethel Democrat, predicted an uphill battle for the project, considering the state's finances. "My gut feeling is that three years at \$142 million is too much."

Springer said the federal government averages about \$130 million to \$140 million worth of highway construction in Alaska every year.

He suggested the state consider taking longer than three years to keep the annual costs down.



Unlocking Rubic's magic

Times photo by Alice Puster

## Poll shows most favor seat belt law

By Debbie Reinwand  
Times Writer

Legislation requiring Alaskans to use seat belts while in their cars is favored by 65 percent of the state's residents, a poll shows, with strong support coming from rural regions and Southeast Alaska.

The survey, conducted by Marc Hellenhal, consists of interviews with 1,473 residents between Jan. 8 and 17. Samples were taken in all areas of the state, according to Hellenhal.

Rural residents topped the list of supporters of a safety belt law, with 77 percent of those polled for the measure. More than 74 percent of Southeast residents questioned favor the law, while 69 percent of the Matanuska-Susitna Borough respondents support it. In Anchorage, 65 percent of those polled want a seat belt law.

Other findings of the poll indicate bipartisan support for the

dents voicing support.

The only staunch opposition to seat belt legislation came from the Libertarian Party, with 59 percent of those polled coming down against the proposal.

"This poll points to the fact that the Alaskan public wants to start saving lives, reducing injuries and saving money by adopting a safety-belt-use law," said Frank Bickford, executive director of the Alaska Safety Belt Use Coalition.

During the election, a majority of those seeing legislative seats said they favored a mandatory seat belt bill, and Gov. Steve Cowper is on record as a supporter of the measure.

A bill requiring seat belt use is expected to be introduced in the legislature in mid-February, and already lawmakers are being lobbied on the issue.

During the opening week of the 1987 session, a group of children dressed as clowns visited

HCR

1-S

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of ~~UNAVED~~ 3/16/87 5-DAY NOTICE  
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER:

\*\*FISCAL NOTE(S) ATTACHED \_\_\_\_\_ \*\*  
IN ACCORDANCE WITH AS 24.08.035  
(see below)

2/12/87

DATE TURNED INTO OFFICE 2/17/87

Mr. President:

FINANCE \_\_\_\_\_ Committee considered \_\_\_\_\_ HCR 1

highway between Eklutna and Palmer

and recommended:

- replace with CS \_\_\_\_\_  same title
- attached amendment(s) and  new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to \_\_\_\_\_
- letter of intent adopted and attached

\*\* Committee [ attached or  adopted fiscal note(s)  
 zero ~~impact~~ FN  fiscal impact

MEMBERS SIGNING DO PASS

[Signature]  
[Signature]  
[Signature]  
[Signature]  
 \_\_\_\_\_  
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OTHER RECOMMENDATIONS

[Signature] No Rec  
[Signature] No Rec  
[Signature] No Rec  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

[Signature] Do Pass  
Chairman signature and recommendation

Committee Backup Attached

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

REQUEST 1-30-87

Bill Version: HCR 1  
Publish Date: HOUSE 2/4/87

Revision Date: 1-30-87  
Title: Hwy between Eklutna and Palmer

Agency Affected: DOT&PF  
BRU: \_\_\_\_\_

Sponsor: Menard & Larson  
Requestor: Adams

Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						55.0
TRAVEL						
CONTRACTUAL						125.0
SUPPLIES						70.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	\$250.0
CAPITAL	\$305.0*	\$200.0*	\$8,000.0*	\$35,100.0	\$17,000.0	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND	15.2	10.0	421.6	1,849.8	895.9	250.0
FEDERAL FUNDS	289.8*	190.0*	7,578.4*	33,250.2	16,104.1	
OTHER						
TOTAL	305.0*	200.0*	\$8,000.0*	\$35,100.0	\$17,000.0	\$250.0

POSITIONS:

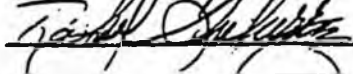
FULL-TIME	-0-	-0-	-0-	-0-	-0-	1
PART-TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

ANALYSIS:

— See attached page —

\* Federal Authorization for these amounts has already been received. The Department will request authorization to receive and expend the additional federal funds in subsequent capital budget requests.

Prepared by: William R. Snell (signed) Phone: 266-1440  
Division: Deputy Commissioner, Central Region Date: 1/30/87

Approved by Commissioner:  Date: 2/2/87  
Agency: \_\_\_\_\_

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
Senate Secretary

Fiscal Note Analysis  
HCR 1

2/4/87

## 1. Analysis of the fiscal impact on existing programs.

The total cost of the project is estimated to be \$142,000,000. The first phase, the widening of a the Glenn Highway to four lanes from Eklutna to the Parks Highway, is estimated to cost \$60,000,000. The Department already has approximately \$8,000,000 of this authorization which will enable work to continue through FY'89. The additional estimated \$52,000,000 authorization, which will be needed to complete the first phase of the project, will be included in future budget requests.

The ultimate project, which would contain interchanges at the Parks and Old Glenn Highways, is estimated to cost \$142,000,000. The \$100,000 authorization for the Preliminary Engineering of the Glenn Highway/Parks Highway Interchange is anticipated to be requested in FY'90. The balance of the needed funding is beyond the horizon of the 6-year Capital Improvement Program.

## 2. Analysis of the fiscal impact on new programs.

This project is currently under development.

## 3. Analysis of how the figures in the fiscal note were developed.

The FY'90 \$35,100,000 and the FY'91 \$17,000,000 capital amounts are the Department's current best estimate of authorization needed to complete the first phase. \$100,000 of the \$35,100,000 amount will allow the start of preliminary engineering for the Parks/Glenn Interchange.

Beginning in FY'92 there would be at least \$250,000 yearly in additional maintenance costs. This is computed by multiplying 30 new lane miles of road: 10 miles x 3 (2 additional lanes + wide shoulders) by the estimated \$7,500 cost per lane mile and providing for \$25,000 annual repairs to the new bridges. If at that time new equipment is required, the costs could be substantially higher.

## 4. Other information.

The DOT&PF agrees that widening the Glenn Highway from Eklutna to Parks Highway to four lanes is a much needed project, and in fact, has included it as a high priority in the Six Year Capital Improvement Program. Through the Mat-Su Borough planning process, this project has been identified as the top priority project for the area.

Specifically, the ultimate project would widen the Glenn Highway to four lanes from Eklutna to the Parks Highway with interchanges at the Parks and Old Glenn Highways. The first phase of the project (widening to four lanes) is estimated to cost \$60,000,000. The total cost with interchanges is estimated to be \$142,000,000.

The Department spent approximately \$460,000 in FY'83-'85, \$270,000 in FY'86, and we estimate \$305,000 will be spent in FY'87 and \$200,000 in FY'88 on this project. This money was spent to meet project develop requirements of the Federal Highway Administration (FHWA) such as the location report, Draft Impact Statement, etc. As mentioned above, additional authorization will be requested in future budgets when needed.

A community meeting was held in Wasilla on October 29, 1985 to introduce the project and explain the development process of a federal aid project. One of the major hurdles, the Draft Environmental Impact Statement (DEIS), was submitted to the FHWA on December 18, 1986. Following approval of the DEIS by the FHWA, the project will proceed to design. We anticipate that right-of-way acquisition could begin as early as 1989 and construction could be completed in 1992. At this time there is no reason to believe this project cannot be developed in a timely manner.

Wetlands and wildlife habitat impacts are part of the social and environmental issues being addressed in the DEIS. We do not anticipate any problems with the wetlands as the Alaska Legislature exempted the right-of-way for the project from legislation establishing the Palmer Hay Flats Game Refuge (AS 16.20.032), and the U.S. Fish and Wildlife Service and the Corps of Engineers have cooperated with our development efforts. There will be some required wetland mitigation, but the extent will not be known until the DEIS has been accepted by the FHWA.

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

REQUEST: \_\_\_\_\_

Bill Version : HCR 1

Publish Date : HOUSE 1/28/87

Revision Date: \_\_\_\_\_

Agency Affected : DOT&PF

Title : Hwy between Eklutna and Palmer

BRU: \_\_\_\_\_

Sponsor : Menard & Larson

Components : \_\_\_\_\_

Requestor : Cato

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary) The Dept. of Transportation and Public Facilities has requested federal authorization to continue to develop the Glenn Hwy widening project. Future federal authorization will be requested as needed.

Prepared by: Mark S. Hickey *MST*  
Division: Deputy Commissioner, Operations

Phone: 465-3900  
Date: 1-26-87

Approved by Commissioner: *Rachel*  
Agency: DOT&PF

Date: 1/26/87

- Distribution (by preparer):
- Legislative Finance
  - Legislative Sponsor
  - Requestor
  - Office of Management and Budget
  - Impacted Agency(ies)
  - Senate Secretary

Introduced: 1/19/87  
Referred: Transportation  
and Finance

1 IN THE HOUSE

BY MENARD AND LARSON

2

HOUSE CONCURRENT RESOLUTION NO. 1

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

Relating to the highway between Eklutna

6

and Palmer.

7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 WHEREAS the highway between Eklutna and the Palmer-Wasilla inter-  
9 section is a main artery for commercial and residential traffic; and

10 WHEREAS the highway is presently only a two-lane highway; and

11 WHEREAS the latest annual statistics concerning the daily traffic  
12 volume reflect a substantial increase in traffic volume; and

13 WHEREAS the commercial and residential use of this highway is expected  
14 to increase even further;

15 BE IT RESOLVED that the Alaska State Legislature respectfully requests  
16 the Governor to direct the Department of Transportation and Public Facili-  
17 ties to proceed as expeditiously as possible with the Glenn Highway widen-  
18 ing, Eklutna North project.



## Dept. of Transportation & Public Facilities

# *Position Paper*

**BILL NO:** HCR 1

**TITLE:** Relating to the Highway  
between Eklutna and Palmer

**APPROVED:** Rocky Gutierrez  
Commissioner

**DATE:** January 26, 1987

---

The DOT&PF agrees that widening the Glenn Highway from Eklutna to the Parks Highway is a much needed project, and in fact, has included it as a high priority in the Six Year Capital Improvement Program.

Specifically, this project would widen the Glenn Highway to four lanes from Eklutna to the Parks Highway with interchanges at the Parks and Old Glenn Highways. The first phase of the project (widening to four lanes) is estimated to cost \$59,000,000. The total cost with interchanges is estimated to be \$142,000,000.

A community meeting was held in Wasilla on October 29, 1985 to introduce the project and explain the development process of a federal aid project. One of the major hurdles, the Draft Environmental Impact Statement (DEIS), was submitted to the FHWA on December 18, 1986. Following approval of the DEIS by the FHWA, the project will proceed to design. We anticipate that right-of-way acquisition could begin as early as 1989 and construction could be completed by 1991. At this time there is no reason to believe this project cannot be developed in a timely manner.

Wetlands and wildlife habitat impacts are part of the social and environmental issues being addressed in the DEIS. We do not anticipate any problems with the wetlands as the Alaska Legislature exempted the right-of-way for the project from legislation establishing the Palmer Hay Flats Game Refuge (AS 16.20.032), and the U.S. Fish and Wildlife Service and the Corps of Engineers have cooperated with our development efforts. There will of course be some required wetland mitigation. The extent of which will not be known until the DEIS has been accepted by the FHWA.



# Matanuska-Susitna Borough

BOX B. PALMER. ALASKA 99645 • PHONE 745-4801

BOROUGH MANAGER

December 2, 1985

A handwritten signature in cursive script, likely belonging to the Borough Manager.

State of Alaska  
Department of Transportation  
& Public Facilities  
Environmental Section  
P. O. Box 196900  
Anchorage, Alaska 99519-6900

Gentlemen:

Re: Glenn Highway, Eklutna to Parks

The Matanuska-Susitna Borough supports upgrade of the Glenn Highway - Eklutna to the Parks Highway.

We attended sessions where the various environmental consequences of the project have been discussed. We have also evaluated various statements by various public agencies having an interest in the project. In our opinion the various environmental concerns can be dealt with. Since you are dealing with parallel bridges and a parallel causeway, you are dealing with as few environmental variables as you will ever have occasion to deal with on a major project.

We have some minor recommendations which should not appreciably affect the cost of the project. We urge DOT/PF to consider the attached comments of the Borough Planning Department in the design of the project.

The traffic congestion on this route is severe and the threat to safe and efficient vehicle operation will increase with time. The widening to first four and then eventually six lanes is vital. The 1984 ADT (average daily traffic) was approximately 15,500 vehicles. There were 250 traffic accident on this section of the Glenn Highway between 1982 and 1984.

We believe the project should receive the highest priority possible for a timely upgrade.

## PROJECT DESCRIPTION

The Glenn Highway is the primary highway route between Anchorage and the rapidly growing Palmer/Wasilla area. Improvements to the Glenn Highway are considered necessary to provide for the existing and projected traffic demand.

The proposed project begins near the railroad overcrossing at Eklutna where the existing four-lane facility terminates. The proposed project ends at a point on the Parks Highway approximately two miles northwest of the Glenn/Parks intersection, and at a point on the Glenn Highway approximately 1.4 miles northeast of the Glenn/Parks intersection. The total length of the project is approximately 13 miles.

The portion of the Glenn Highway to be improved by this project is presently a two-lane rural highway. The proposed improvement would provide a six-lane divided highway. The existing two-lane highway would be widened to three lanes and would be used for northbound traffic. Three new lanes for southbound traffic would be constructed to the west of the existing road.

Access to the new highway would be fully controlled to allow for the most efficient traffic flow. As a result, certain roads and driveways that currently intercept the Glenn Highway would be closed, or rerouted to frontage roads and other access roads that would feed into proposed interchanges. Three interchanges would be constructed: one at the Old Glenn Highway, one at the Glenn/Parks intersection, and one at the proposed New Trunk Road.

Various methods of providing access to the boat launching area at the Knik River are being investigated.

### Bridges

Bridges for the southbound lanes of traffic would be constructed downstream of the existing Knik River and Matanuska River bridges. The existing bridges would be widened to serve the northbound lanes.

The three proposed interchanges: Glenn/Parks Interchange, Old Glenn Highway Interchange, and the Trunk Road Interchange would require bridges for grade separations (i.e. overpasses for railroad crossings, etc.).

### Frontage Roads

1. A proposed frontage road may provide access to the property served by the driveway at the old FAA towers near Eklutna; this frontage road would funnel traffic to existing roads in Eklutna Village.

2. Access to Rabbit Slough and private property west of the proposed Glenn/Parks Interchange may be provided by a frontage road system. This frontage road system would be accessible via the Parks Highway.

3. Access to Kepler-Bradley State Park and properties north of the proposed Glenn/Parks Interchange may be provided by a frontage road system. This frontage road system would extend from the Old Trunk Road to the Kepler-Bradley Lakes area.

### Right-of-Way

Additional right-of-way would be required for the proposed Glenn/Parks Interchange, the proposed Old Glenn Interchange, the proposed Trunk Road Interchange, and portions of the proposed frontage roads. Some businesses and private property may be impacted by right-of-way acquisition.

### Wetlands

Approximately 160 acres of wetlands may be filled by the project as presently proposed. These wetlands provide habitat for salmon, moose, waterfowl, and a variety of small mammals.

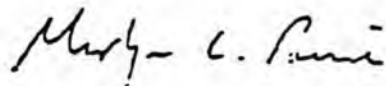
### Floodplains

Fill, rip-rap, portions of the highway, and the new river bridges would be placed in the 100 year floodplain of the Knik and Matanuska Rivers.

Your comments on this proposal are needed to ensure that all factors are considered in the preparation of the Environmental Impact Statement and that our final recommendations are in the best overall interest of the public. Transmittal of any information you may have concerning environmental, economic, or social concerns and land use issues would be appreciated, and any comments or suggestions regarding the proposed roadway alignment or other project related concerns are welcomed.

For further information about the project and scoping meetings contact Melanie Caltrider, Environmental Analyst, Central Region ADOT&PF at 266-1507.

Sincerely,



Meryl L. Paine  
Environmental Coordinator  
Central Region ADOT&PF

MC/MP/mhb

Attachments: Project Map  
Agency Scoping Meeting Agenda

Matanuska - Susitna Borough  
assembly memorandum

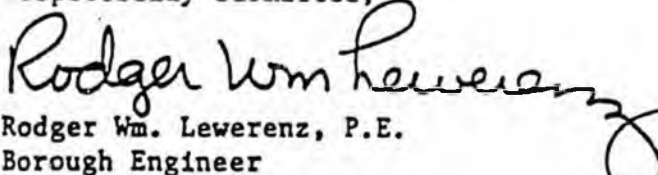
no. TM 84-

from: Department of Public Works date: 1/6/84  
subject: Glenn Highway Four Lane Improvement from Eklutna to the Parks Highway Intersection

A number of estimates have been stated publicly over the past several months regarding the cost of construction for the additional two lanes between the Eklutna Flats and the Parks Highway. The Department of Transportation and Public Facilities has two estimates for the four lane work within the limits described above. One estimate is in the amount of \$58,000,000, which would include design, right of way, utilities, construction and contract administration for four-lane highway construction, bridges, etc. between Eklutna and the Parks Highway with signalized intersection at the Parks-Glenn intersection.

A second estimate includes the four-laning with bridges, utilities, right of way design and construction for the project referenced above, except for the intersection at the Parks-Glenn Highway, which would include the ultimate design of an interchange for free traffic flow instead of the signalized intersection in the estimate above. The cost estimate for this work is \$104,548,000.

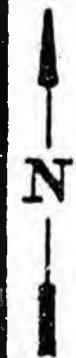
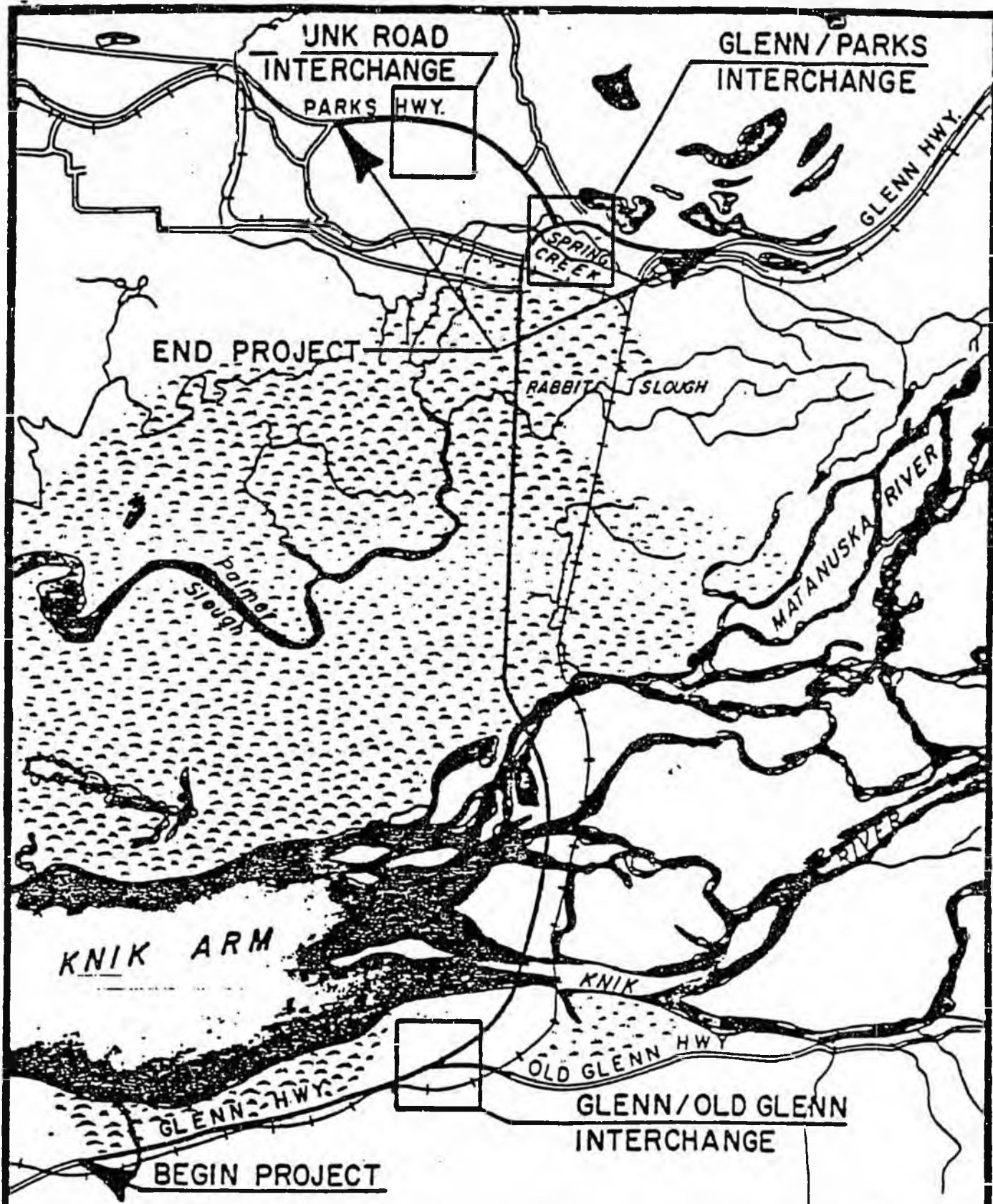
Respectfully submitted,

  
Rodger Wm. Lewerenz, P.E.  
Borough Engineer

Reviewed and approved:

Gary Thurlow  
Borough Manager

map



**LEGEND**

 WETLANDS

**SCALE**



1" = 1 MILE

STATE OF ALASKA  
DEPARTMENT OF TRANSPORTATION  
AND PUBLIC FACILITIES

GLENN HIGHWAY, EKLUTNA  
TO PARKS HIGHWAY

1-0A1-5(1)  
LOCATION MAP



# City/State /Alaska Life /Weather

# B

## Glenn Highway project gets boost

By James D. Wasserman  
Times Journal Bureau

JUNEAU — The House Transportation Committee dealt the Glenn Highway's "dance of death" a minor blow Monday, removing the first of many hurdles to creating a four-lane highway across Eklutna flats.

The committee approved a resolution by Rep. Curt Menard, R-Wasilla, asking the state to commit as soon as possible to a road-widening project between Eklutna and the Parks Highway intersection.

The federal government, which will pay between 80 and 90 percent of the \$142 million cost,

### Legislators ask state to make road commitment

has scheduled construction to begin in late 1988 and take three years to finish. But the state, which has already paid \$375,000 toward design costs, has to put up its share of the money before it begins.

"I share those two lanes with 6,930 other commuters during peak hours," said Barbara Hunt, a former Mat-Su borough planning commissioner testifying on behalf of the resolution. "One of the papers called it the dance of death a couple of years ago.

They're not kidding. It's very scary sometimes, many times."

The highway is the main commuting route between Anchorage and the Palmer and Wasilla areas, and the quickest way north for truck traffic. Alaska Truckers Association representative T.J. Thrasher told the committee that truckers get frustrated by traffic bottlenecks on the route.

The resolution, described by committee chairwoman Bette Cato, D-Valdez, as something

"primarily to draw DOT's (Department of Transportation) attention to it," now goes to the House Finance Committee for consideration.

It mirrors a near-identical resolution introduced in the Senate last week by Sen. Jay Kertula, D-Palmer. Kertula also submitted a bill that would put a \$65 million bond issue before voters with the intention of rebuilding both the highway and the railroad corridor across the flats.

He called that the "ultimate"

plan, though, saying it's more likely that the total cost to the state will be \$20 million for just the road and three bridges.

Menard said Mat-Su legislators want to see the project begin as soon as possible so it doesn't lose its federal funding. Among those passing resolutions of support have been the Mat-Su borough and the Palmer and Wasilla chambers of commerce.

"Our selling point is that it's a federal project . . . a big project that would help the economy,"

he said.

Still, committee member Henry Springer, a Bethel Democrat, predicted an uphill battle for the project, considering the state's finances. "My gut feeling is that three years at \$142 million is too much."

Springer said the federal government averages about \$130 million to \$140 million worth of highway construction in Alaska every year.

He suggested the state consider taking longer than three years to keep the annual costs down.

## Poll shows most favor seat belt law

By Debble Relowand  
Times Writer

Legislation requiring Alaskans to use seat belts while in their cars is favored by 65 percent of the state's residents, a poll shows, with strong support coming from rural regions and Southeast Alaska.

The survey, conducted by Marc Hellenenthal, consists of interviews with 1,473 residents between Jan. 8 and 17. Samples were taken in all areas of the state, according to Hellenenthal.

Rural residents topped the list of supporters of a safety belt law, with 77 percent of those polled for the measure. More than 74 percent of Southeast residents questioned favor the law, while 69 percent of the Matanuska-Sitka Borough respondents support it. In Anchorage, 65 percent of those polled want a seat belt law.

Other findings of the poll indicate that 58 percent of the

residents voicing support.

The only staunch opposition to seat belt legislation came from the Libertarian Party, with 59 percent of those polled coming down against the proposal.

"This poll points to the fact that the Alaskan public wants to start saving lives, reducing injuries and saving money by adopting a safety-belt-use law," said Frank Bickford, executive director of the Alaska Safety Belt Use Coalition.

During the election, a majority of those seeking legislative seats said they favored a mandatory seat belt bill, and Gov. Steve Cowper is on record as a supporter of the measure.

A bill requiring seat belt use is expected to be introduced in the legislature in mid-February, and already lawmakers are being lobbied on the issue.

During the opening week of the 1987 session, a group of children dressed as clowns visited



Unlocking Rubic's magic

Times photo by Altra Paster

SUR

I

# SENATE COMMITTEE REPORT

FURTHER:

3/26/87

DATE TURNED INTO OFFICE \_\_\_\_\_

Mr. President:

FINANCE

Committee considered SJR 1

Proposing amendments to the Constitution of the State of Alaska creating a university fund.

and recommended:

replace with \_\_\_\_\_ CS FOR \_\_\_\_\_ )  same title  
 or adopt \_\_\_\_\_ CS FOR \_\_\_\_\_ )  new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to \_\_\_\_\_

letter of intent adopted \_\_\_\_\_

Committee  attached or  adopted fiscal note(s)

new  updated or  previous  
 zero  fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

\_\_\_\_\_  
\_\_\_\_\_  
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\_\_\_\_\_  
Chairman signature and recommendation

Committee Backup Attached

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 3/11/87 5-DAY NOTICE  
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: FINANCE

\*\*FISCAL NOTE(S) ATTACHED 1 \*\*  
IN ACCORDANCE WITH AS 24.08.035  
(see below)

1/19/86 DATE TURNED INTO OFFICE 3/26/87

Mr. President:

HESS Committee considered SJR 1

Proposing amendments to the Constitution of the State of Alaska  
creating a university fund.

and recommended:

- replace with CS \_\_\_\_\_  same title
- attached amendment(s) and  new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to \_\_\_\_\_
- letter of intent adopted and attached
- \*\* Committee  attached or  adopted fiscal note(s)
- zero  fiscal impact

MEMBERS SIGNING DO PASS

[Signature]

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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\_\_\_\_\_

OTHER RECOMMENDATIONS

Paul Josephson - No Recommendation

Rick Halford No Rec.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

[Signature]  
Chairman signature and recommendation

Committee Backup Attached

Introduced: 1/19/87  
Referred: Health, Education and  
Social Services and  
Finance

5-0094A

1 IN THE SENATE

BY FAIKS, UEHLING  
AND KERTTULA

2 SENATE JOINT RESOLUTION NO. 1

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 Proposing amendments to the Constitution  
6 of the State of Alaska creating a uni-  
7 versity fund.

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

9 \* Section 1. Article IX, sec. 7, Constitution of the State of Alaska,  
10 is amended to read:

11 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or  
12 license shall not be dedicated to any special purpose, except as  
13 provided in section 15 and section 17 of this article or when required  
14 by the federal government for state participation in federal programs.  
15 This provision shall not prohibit the continuance of any dedication  
16 for special purposes existing upon the date of ratification of this  
17 section by the people of Alaska.

18 \* Sec. 2. Article IX, Constitution of the State of Alaska, is amended  
19 by adding a new section to read:

20 SECTION 17. UNIVERSITY FUND. At least five percent of all  
21 mineral lease rentals, royalties, royalty sale proceeds, federal  
22 mineral revenue sharing payments and bonuses received by the state  
23 after January 1, 1989, shall be placed in a university fund, the  
24 principal of which shall be used only for those income-producing  
25 investments specifically designated by law as eligible for university  
26 fund investments. All income from the university fund shall be trans-  
27 ferred to the board of regents of the University of Alaska to be used  
28 for the state university. The income may be expended without appro-  
29 priation.  
S

**STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE**

**REQUEST:** \_\_\_\_\_

Bill Version: SJR 1  
Publish Date: 3-26-87

Revision Date: SJR #1  
Title: Amend. to Constitution creating a university fund.

Agency Affected: Office of the Governor  
BRU: Division of Elections

Sponsor: Faiks  
Requestor: Faiks

Components: II

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL			2.2			
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>			2.2			

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

**FUNDING: (Thousands of Dollars)**

GENERAL FUND			2.2			
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS : (Attach a separate page if necessary)**

\* Costs included cover 2 to 3 additional pages in each Official Election Pamphlet, for printing and typesetting, and costs estimated to cover computer programming requirements for vote

(cont.)

Prepared by: Linda Edgeworth Phone: 465-4611  
Division: Elections Date: 2-24-87

Approved by Commissioner: Carol P. Kertelie Date: 2-27-87  
Agency: Office of the Governor/ Division of Elections

**Distribution (by preparer) :**

Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
Senate Secretary

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SJR #1

counting purposes. However, these costs are based on the assumption that all candidates and issues will fit on three ballot cards, which is the norm. It should be noted, however that should the inclusion of this issue require a 4th ballot to be printed, the cost increase would have to be calculated at 16 cents per ballot x approximately 320,000 voters. The total cost of printing the additional ballot card would be \$51.2.

Under these circumstances the fiscal note would be:

53.4

ALASKA STATE LEGISLATURE

15 ..... Legislature .1st.... Session

SENATE JOINT RESOL. NO. 1 .....

By FAIKS, UEHLING .....  
AND KERTTULA

Proposing amendments to the  
Constitution of the State of  
Alaska creating a university  
fund.

Introduced in the Senate 1/19...., 1987.

HISTORY IN THE SENATE

1987		Read first time and referred to Committee on										
1	19	HESS & FINANCE										
3	26	Reported back with <i>HESS</i> recommendation that <i>1 do pass.</i> <i>3 no res, fiscal note to Finance.</i> <i>F.H.</i>										
		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
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		Reconsideration										
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PASS	Effective Date											
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Absent	Absent											
Excused	Excused											
		Reported correctly engrossed Signed by President Sent to House										
		SECRETARY OF THE SENATE										

HISTORY IN THE HOUSE

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
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PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reported correctly engrossed 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. ....

Updated FN.

Attack to

bill when

2/0

STATE OF ALASKA  
1988 LEGISLATIVE SESSION

BILL VERSION: SJR 1  
PUBLISH DATE: 1/19/87

FISCAL NOTE

REQUEST:

Revision Date: 1/22/88  
Title: Constitutional Amendment creating  
a university fund.  
Sponsor: FAIKS  
Requestor: Senate Finance

Agency Affected: Office of the Governor  
BRU: Division of Elections  
Components: II - Primary & General  
Elections

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	0	2.2*	0	0	0	0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	2.2*	0	0	0	0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	2.2*	0	0	0	0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

\* Costs included cover 2 to 3 additional pages in each Official Election Pamphlet, for printing and typesetting, and costs estimated to cover computer programming requirements for vote (cont.)

Prepared by: Linda Edgeworth Phone: 465-4611  
Division: Elections Date: 1/22/88

Approved by Commissioner: [Signature] Date: 2/1/88  
Agency: Office of the Governor, Division of Elections

Distribution (by preparer): 2/1/88  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)

FEB 3 1988

**CONTINUATION of FISCAL NOTE ANALYSIS**

**For Bill/Resolution No. SJR 1**

counting purposes. However, these costs are based on the assumption that all candidates and issues will fit on three ballot cards, which is the norm. It should be noted, however that should the inclusion of this issue require a 4th ballot to be printed, the cost increase would have to be calculated at 16 cents per ballot x approximately 320,000 voters. The total cost of printing the additional ballot card would be \$51.2.

Under these circumstances the fiscal note would be:

53.4

**STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE**

**REQUEST:** \_\_\_\_\_

Bill Version : SB 12/SJR 1

Publish Date : \_\_\_\_\_

Revision Date: \_\_\_\_\_

Agency Affected: Revenue

Title: Creating the University Fund/  
Amending the Constitution

BRU: \_\_\_\_\_

Sponsor: Faiks

Components: \_\_\_\_\_

Requestor: \_\_\_\_\_

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING						

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

Millions

**FUNDING: (Thousands of Dollars)**

Univ. Fund

GENERAL FUND			(16.3)	(34.1)	(33.2)	(33.5)
Prin. Balance			15.8	48.9	81.1	113.6
Univ. Fund Income			.5	1.9	3.9	5.8
TOTAL						

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS : (Attach a separate page if necessary)**

See attached

Prepared by: Robert Elliott *RE* Phone: 2173

Division: Research Section Date: \_\_\_\_\_

Approved by Commissioner: H. Melal Date: 1/26/87

Agency: REVENUE COORDINATOR

**Distribution (by preparer):**

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

# CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 12/SJR 1

## Analysis:

Figures are based on estimated mineral revenues for January 1987 Revenue Sources, and assume a six percent nominal interest rate and voter approval of the Constitutional Amendment (SJR 1). University Fund Income represents amount transferred to the Board of Regents at the end of each fiscal year. The above decrease in General Fund revenues includes not only the loss of mineral revenues but the subsequent decrease in General Fund investment earnings. Estimated revenues from proposed bonus sales were not included since bids are impossible to anticipate prior to sales.

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

Bill Version: SJR 1  
Publish Date: \_\_\_\_\_

REQUEST: \_\_\_\_\_

Revision Date: \_\_\_\_\_  
Title: University Fund

Agency Affected: Department of Revenue  
BRU: Treasury

Sponsor: Senate HESS  
Requestor: Senate HESS

Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
<b>OPERATING</b>						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	32.8	71.1	129.1	208.1
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
<b>TOTAL OPERATING</b>	-	-	32.8	71.1	129.1	208.1
<b>CAPITAL</b>	-	-	-	-	-	-
<b>REVENUE</b>	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	32.8	71.1	129.1	208.1
<b>TOTAL</b>	-	-	32.8	71.1	129.1	208.1

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS: Attach a separate page for analysis.

Prepared By: Milt Barker *MB*  
Division: Treasury

Phone: 465-2350  
Date: March 26, 1987

Approved by Commissioner: *[Signature]*  
Agency: Department of Revenue

Date: 3/26/87

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
Senate Secretary

**RECEIVED**  
MAR 27 1987

LEGISLATIVE FINANCE

University Fund  
(\$ 000)

	(1)	(2)	(3)	(4)	(5)	(6)
<u>Fiscal Year</u>	<u>Principal Balance</u>	<u>Securities Safekeeping Fees</u>	<u>Common Stock Management Fees</u>	<u>Performance Measurement Fees</u>	<u>Audit Fees</u>	<u>Total Fees</u>
1989	15,800.0	.8	10.0	12.0	10.0	32.8
1990	48,900.0	2.6	46.5	12.0	10.0	71.1
1991	81,100.0	4.3	102.8	12.0	10.0	129.1
1992	113,600.0	6.0	180.1	12.0	10.0	208.1

Notes:

1. From 2-13-87 HB 42/HJR 2 Fiscal Note prepared by Robert Elliott, Department of Revenue
2. Column 1 x 5.25¢/\$1,000, per contract
3. Column 1 x .317%, per contract, x 20%, 30%, 40%, and 50% allocation to stocks for FY 89-92, respectively
4. Per contract
5. Department of Revenue estimate
6. Columns 2 + 3 + 4 + 5



Official Business

# Alaska State Legislature

## Senate

### Finance Committee

Pouch V  
State Capitol  
Juneau, Alaska 99811

#### MEMORANDUM

April 6, 1987

TO: Senator Willie Hensley

FROM: Senator John Binkley, Co-Chairman  
Senator Don Bennett, Co-Chairman

RE: Subcommittee Assignment -  
Senate Bill 12  
Senate Joint Resolution 1

A handwritten signature in black ink, appearing to read "John Binkley", written over the "FROM" line of the memorandum.

We are assigning Senate Bill 12, "An Act relating to the university fund" and Senate Joint Resolution 1, "Proposing amendments to the state constitution creating a university fund," to you for subcommittee work. This bill and resolution were received in Finance on March 26. We would to schedule these before the Finance Committee as soon as possible so your expeditious consideration will be appreciated.

As noted in our previous memorandum on subcommittee assignments, we request that you notify the sponsor that the bill is in your subcommittee. You may request other members of the Finance Committee to participate in your consideration of the bill. Please notify all Finance Committee members of any public hearings you may schedule so they can participate if they wish.

When you are ready to report the bill back to committee, please notify Senator Binkley's office so that it can be scheduled for hearing before the full committee.

cc: Senator Jan Faiks

HR

2

**HOUSE COMMITTEE REPORT**

(11)

Date referred: 2/27/87

FURTHER REFERRALS:

DATE: 3/11/87

The Finance Committee has considered HR 2

Relating to the University of Alaska community college system.

**RECOMMENDS:**

- replace with CS HR 2 (HESS)  the same title
- attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

**ADOPTS:**  \_\_\_\_\_ letter of intent

**ATTACHES NEW FISCAL NOTE(s):**

- fiscal impact  same as previous fiscal note published 2/27/87 University of AK
- zero fiscal note  same as previous zero fiscal note published \_\_\_\_\_
- zero with analysis

**SIGNING DO PASS:**

**SIGNING OTHER RECOMMENDATIONS:**

BURCHOST Pat Burchost

WACK Wack

AMMER Ammer

BROWN Brown

ARSON Arson

ADAMS Al Adams - no rec

BOYER Mark Boyer NO REC

RIEGER Rieger No Recommendation

FRANK Frank NO Rec.

WALLIS F. Key Wallis "

DAVIS Davis "

GOLL Peter Goll "

Al Adams  
Chairman's signature

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

**REQUEST:** \_\_\_\_\_  
 Revision Date: \_\_\_\_\_  
 Title: University of Alaska  
Community College System  
 Sponsor: Pourchot, et. al.  
 Requestor House HESS

Bill Version: CSHR 2(HESS)  
 Publish Date: HOUSE 2/27/87

Agency Affected: University of Alaska  
 BRU: ALL  
 Components: \_\_\_\_\_

**EXPENDITURES/REVENUES:** (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		\$0-\$1 million				
<b>CAPITAL</b>						
<b>REVENUE</b>						

**FUNDING:** (Thousands of Dollars)

GENERAL FUND		\$0-\$1 million				
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** (Attach a separate page if necessary) See attached.

Prepared by: Brian Rogers, Director of Budget Development Phone: 474-6490  
 Division: University of Alaska Date: February 24, 1987  
 Approved by: Vice President J. Lynch for Sherman Carter Date: February 24, 1987  
 Agency: University of Alaska

Distribution (by preparer):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)  
 Senate Secretary

CONTINUATION OF FISCAL NOTE ANALYSIS

For Bill/Resolution No. CS HR 2 (HESS)

ASSUMPTIONS:

Reconsideration by the Board of Regents of the University of Alaska of the proposal to restructure the University and examine alternatives that would preserve the separate and autonomous academic administrative status of the community colleges would increase costs to the University of Alaska system by up to \$1 million during FY88.

The Board of Regents, at its February 21, 1987 meeting, approved a plan for restructuring. This plan preserves the mission, programs, identity and process for local citizen participation, but does not preserve separate accreditation or completely separate administrations for all current community colleges. The Board's plan provides for continued individual accreditation for colleges such as Prince William Sound Community College in Valdez that have a pattern of local funding support. All other colleges would receive accreditation for their course work through the regional centers with which they are merged in the Board's plan.

The Board of Regents plan will save the University of Alaska system an estimated \$6.25 million annually beginning in FY 89. A portion of these savings will accrue in FY 88. In order to begin saving money in FY 88, the university will begin issuing layoff notices during FY 87 for positions which will be deleted during the restructuring. Under university personnel policies, six months notice is provided to administrative, professional and technical employees; the university will thus incur some costs in FY 88 for payment of salaries to employees being laid off.

If the Board of Regents were to delay implementation of the proposal, as suggested by CSHR-2(HESS), the cost of payment for salaries to employees being laid off during FY 88 would be increased by up to \$1 million.

If the university were to proceed with the Board of Regents restructuring plan during the time it is reconsidered, and if layoff notices were issued to affected staff, and if some or all of these staff were laid off during FY 88 under the current schedule, the cost of reconsideration would be decreased.

This fiscal note does not take into account the fiscal impact of any changes to the restructuring plan which might occur as a result of reconsideration by the Board of Regents.

Original sponsors: Pourchot, Sund,  
Navarre, et al.

1 IN THE HOUSE BY THE HEALTH, EDUCATION AND  
2 CS FOR HOUSE RESOLUTION NO. 2 (HESS) SOCIAL SERVICES COMMITTEE  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FIFTEENTH LEGISLATURE - FIRST SESSION  
5 Relating to the University of Alaska  
6 community college system.  
7 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES:  
8 WHEREAS the community colleges in the state contribute tremendously to  
9 the educational and economic well-being of the state and its residents; and  
10 WHEREAS the missions of the community colleges are distinct in the  
11 programs they provide for career training and higher education; and  
12 WHEREAS community colleges meet the local needs in their particular  
13 communities and regions for specific higher education and maintain open-  
14 door admissions; and  
15 WHEREAS the community colleges offer community service courses and  
16 activities as well as vocational and technical training; and  
17 WHEREAS Alaska's community colleges are essential human development  
18 agencies and integral parts of their communities; and  
19 WHEREAS the community colleges are the most cost-efficient and produc-  
20 tive education units in the state; and  
21 WHEREAS the legislature during territorial days established community  
22 colleges in the state through the Community College Act; and  
23 WHEREAS the legislature, since 1970, has been supportive of legisla-  
24 tion to strengthen and develop the unique mission of community colleges;  
25 and  
26 WHEREAS the Alaska Commission on Postsecondary Education has supported  
27 in its studies and reports the distinct community college mission; and  
28 WHEREAS a restructuring of the University of Alaska as proposed by  
29 President Donald O'Dowd diminishes the mission and goals of the community

1           WHEREAS Alaska citizens have made it clear that they want their commu-  
2 nity colleges preserved and strengthened;

3           WHEREAS public opposition to the reorganization has been evidenced by  
4 public testimony, numerous editorials, resolutions adopted by local govern-  
5 ment bodies, and both private and public interest groups; and

6           WHEREAS the legislature believes that cost savings are obtainable and  
7 needed in the current University of Alaska system; and

8           WHEREAS the legislature believes there are reasonable and meaningful  
9 alternatives to the proposed restructuring of the state's postsecondary  
10 education system that would effect significant cost savings and would not  
11 adversely affect the unique missions, accreditation standards, or struc-  
12 tures of either the community colleges or four-year institutions;

13           BE IT RESOLVED that the House of Representatives respectfully requests  
14 the Board of Regents of the University of Alaska to reconsider the proposal  
15 to restructure the University of Alaska and examine alternatives that would  
16 preserve the unique goals and functions of the community college system  
17 within the University of Alaska's structure; and be it

18           FURTHER RESOLVED that alternate restructuring proposals include clear  
19 distinctions between institutional support services and academic support  
20 services, and that community colleges retain autonomous academic support  
21 services while institutional support services may be combined into the  
22 appropriate unit of the University of Alaska.

23           COPIES of this resolution shall be sent to the members of the Board of  
24 Regents of the University of Alaska; and to Donald O'Dowd, President of the  
25 University of Alaska.

UNIVERSITY OF ALASKA BOARD OF REGENTS

RESOLUTION

WHEREAS, the Legislature of the State of Alaska has before it House Resolution No. 2 requesting the Board of Regents of the University of Alaska to reconsider the proposal to restructure the University of Alaska and examine alternatives that would preserve the unique goals and functions of the community college system within the University of Alaska's structure; and

WHEREAS, the Legislature of the State of Alaska has before it House Bill No. 107 and Senate Bill No. 60 proposing the separation of the community colleges from the University of Alaska and establishing a separate community college system; and

WHEREAS, the Board of Regents of the University of Alaska on December 5, 1986, approved the concept and broad outline for the restructuring of the University of Alaska as proposed by President Donald D. O'Dowd and directed the President to seek the approval of the Board of Regents prior to implementation; and

WHEREAS, the Board of Regents of the University of Alaska on this 21st day of February, 1987, approved the recommendation of President O'Dowd for the implementation of the restructuring of the University of Alaska; and

WHEREAS, the approved restructuring is necessitated by the drastic reduction of the University's general fund support by approximately \$40 million from the budget of two years ago to the Governor's proposed budget for the next fiscal year; and

WHEREAS, the decision of the Board of Regents was made after extensive public testimony and exhaustive consideration by the President and this Board of Regents of the available alternatives; and

WHEREAS, the Board of Regents recognizes the contribution of community colleges to this State in general developmental, career and vocational-technical education and to other community programs and services; and

WHEREAS, it is the judgment of the Board of Regents that the educational mission of the restructured University is consistent with these contributions; and

WHEREAS, it is the decision of the Board of Regents that such contributions will be maintained as a part of the restructured University; and

WHEREAS, it is the judgment of the Board of Regents that the restructured University represents the most educationally and fiscally sound plan for the delivery of educational services to the citizens of the State of Alaska in view of the available financial resources; and

WHEREAS, it is the judgment of the Board of Regents that a single system of higher education is in the best interest of the citizens of the State of Alaska;

NOW THEREFORE BE IT RESOLVED, that the Board of Regents of the University of Alaska reaffirms its intent to implement the restructuring plan as recommended by President O'Dowd and approved by the Board of Regents on this date with the commitment to assure that the comprehensive University of Alaska system be responsive to the educational needs of the citizens of the State of Alaska; and

BE IT FURTHER RESOLVED, that the Board of Regents opposes any legislative proposal to divide the public higher educational system of the State of Alaska as being contrary to sound educational and fiscal policy; and

BE IT FURTHER RESOLVED, that copies of this Resolution shall be sent to the Governor of the State of Alaska and members of the Alaska Legislature; and

BE IT FURTHER RESOLVED, that this Resolution be made a part of the official minutes of the February 21, 1987, meeting of the Board of Regents.

\_\_\_\_\_  
President of the Board

\_\_\_\_\_  
Member of the Board

\_\_\_\_\_  
Vice President of the Board

\_\_\_\_\_  
Member of the Board

\_\_\_\_\_  
Secretary of the Board

\_\_\_\_\_  
Member of the Board

\_\_\_\_\_  
Treasurer of the Board

\_\_\_\_\_  
Member of the Board

\_\_\_\_\_  
Member of the Board

\_\_\_\_\_  
Member of the Board

\_\_\_\_\_  
Member of the Board

Original sponsors: Pourchot, Sund,  
Navarre, et al.

1 IN THE HOUSE  
2 CS FOR HOUSE RESOLUTION NO. 2 (HESS)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FIFTEENTH LEGISLATURE - FIRST SESSION  
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7 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES:  
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15 WHEREAS the community colleges offer community service courses and  
16 activities as well as vocational and technical training; and  
17 WHEREAS Alaska's community colleges are essential human development  
18 agencies and integral parts of their communities; and  
19 WHEREAS the community colleges are the most cost-efficient and produc-  
20 tive education units in the state; and  
21 WHEREAS the legislature during territorial days established community  
22 colleges in the state through the Community College Act; and  
23 WHEREAS the legislature, since 1970, has been supportive of legisla-  
24 tion to strengthen and develop the unique mission of community colleges;  
25 and  
26 WHEREAS the Alaska Commission on Postsecondary Education has supported  
27 in its studies and reports the distinct community college mission; and  
28 WHEREAS a restructuring of the University of Alaska as proposed by  
29 President Donald O'Dowd diminishes the mission and goals of the community

1 colleges; and

2 WHEREAS the university plan does not clearly preserve the identity,  
3 structure, or budget essential to the maintenance of the state community  
4 colleges; and

5 WHEREAS the proposed merger of the Anchorage, Mat-Su Valley, Kenai  
6 Peninsula, Kodiak, and Prince William Sound Community Colleges and their  
7 extension centers and the University of Alaska - Anchorage into a single  
8 new southcentral unit would significantly reduce citizen involvement,  
9 diminish educational opportunity, and jeopardize accreditation standards;  
10 and

11 WHEREAS the proposed merger of the Tanana Valley, Kuskokwim, Kotzebue,  
12 and Northwest Community Colleges and their extension programs into a single  
13 entity within the western and interior unit would significantly reduce  
14 citizen involvement, diminish educational opportunity, and jeopardize  
15 accreditation standards; and

16 WHEREAS the proposed merger of the University of Alaska - Juneau with  
17 the Ketchikan, Sitka, and Juneau-Douglas Community Colleges and their  
18 extension programs into a single new southeastern unit would significantly  
19 reduce citizen involvement, diminish educational opportunity for students,  
20 and jeopardize accreditation standards; and

21 WHEREAS specific details of the restructure are as yet undetermined  
22 and it is not clear that an open-admissions policy and other policies  
23 essential to the continuation of the mission of community colleges would be  
24 maintained; and

25 WHEREAS continued budget cuts could lead to further reduction in the  
26 availability of nondegree courses; and

27 WHEREAS merging community colleges into four-year schools could poten-  
28 tially lead to students from community colleges competing for seats in  
29 courses with university students; and

1           WHEREAS Alaska citizens have made it clear that they want their commu-  
2 nity colleges preserved and strengthened;

3           WHEREAS public opposition to the reorganization has been evidenced by  
4 public testimony, numerous editorials, resolutions adopted by local govern-  
5 ment bodies, and both private and public interest groups; and

6           WHEREAS the legislature believes that cost savings are obtainable and  
7 needed in the current University of Alaska system; and

8           WHEREAS the legislature believes there are reasonable and meaningful  
9 alternatives to the proposed restructuring of the state's postsecondary  
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22 appropriate unit of the University of Alaska.

23          COPIES of this resolution shall be sent to the members of the Board of  
24 Regents of the University of Alaska; and to Donald O'Dowd, President of the  
25 University of Alaska.

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

85

REQUEST: \_\_\_\_\_  
Revision Date: \_\_\_\_\_  
Title: University of Alaska  
Community College System  
Sponsor: Pourchot, et. al.  
Requestor: House HESS

Bill Version: CSHR 2(HESS)  
Publish Date: HOUSE 2/27/87

Agency Affected: University of Alaska  
BRU: ALL  
Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		\$0-\$1 million				

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND		\$0-\$1 million				
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary) See attached.

Prepared by: Brian Rogers, Director of Budget Development Phone: 474-6490  
Division: University of Alaska Date: February 24, 1987  
Approved by: Vice President J. Lynch for Sheron Carter Date: February 24, 1987  
Agency: University of Alaska

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
Senate Secretary

CONTINUATION OF FISCAL NOTE ANALYSIS

For Bill/Resolution No. CS HR 2 (HESS)

ASSUMPTIONS:

Reconsideration by the Board of Regents of the University of Alaska of the proposal to restructure the University and examine alternatives that would preserve the separate and autonomous academic administrative status of the community colleges would increase costs to the University of Alaska system by up to \$1 million during FY88.

The Board of Regents, at its February 21, 1987 meeting, approved a plan for restructuring. This plan preserves the mission, programs, identity and process for local citizen participation, but does not preserve separate accreditation or completely separate administrations for all current community colleges. The Board's plan provides for continued individual accreditation for colleges such as Prince William Sound Community College in Valdez that have a pattern of local funding support. All other colleges would receive accreditation for their course work through the regional centers with which they are merged in the Board's plan.

The Board of Regents plan will save the University of Alaska system an estimated \$6.25 million annually beginning in FY 89. A portion of these savings will accrue in FY 88. In order to begin saving money in FY 88, the university will begin issuing layoff notices during FY 87 for positions which will be deleted during the restructuring. Under university personnel policies, six months notice is provided to administrative, professional and technical employees; the university will thus incur some costs in FY 88 for payment of salaries to employees being laid off.

If the Board of Regents were to delay implementation of the proposal, as suggested by CSHR-2(HESS), the cost of payment for salaries to employees being laid off during FY 88 would be increased by up to \$1 million.

If the university were to proceed with the Board of Regents restructuring plan during the time it is reconsidered, and if layoff notices were issued to affected staff, and if some or all of these staff were laid off during FY 88 under the current schedule, the cost of reconsideration would be decreased.

This fiscal note does not take into account the fiscal impact of any changes to the restructuring plan which might occur as a result of reconsideration by the Board of Regents.

BILL SHEFFIELD, GOVERNOR

**ALASKA COMMISSION ON POSTSECONDARY EDUCATION**

POUCH FP  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-2854

M E M O R A N D U M

TO: The Honorable Pat Pourchot  
Alaska State Representative

FROM: Kerry D. Romesburg, Executive Director  
Alaska Commission on Postsecondary Education

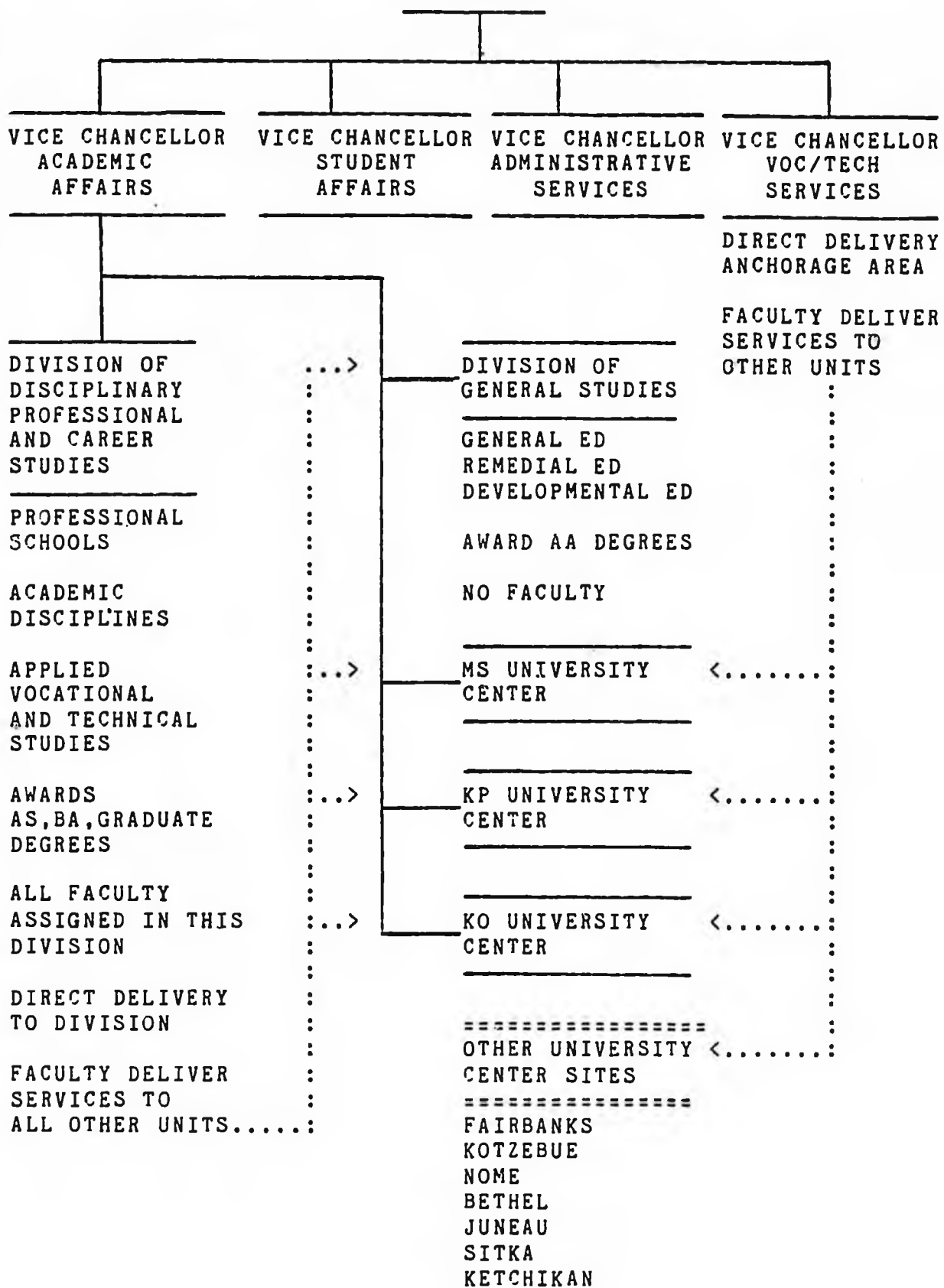
SUBJECT: House Resolution No. 2: Relating to the University of  
Alaska Community College System

DATE: March 6, 1987

The Alaska Commission on Postsecondary Education acting at its March 27, 1987 meeting, voted to endorse House Resolution No. 2. In endorsing this resolution, the Commission emphasized its reaffirmation of support for maintaining a strong community college system in Alaska and expressed its concern for the preservation of the mission and philosophy of community colleges under the proposed university restructuring.

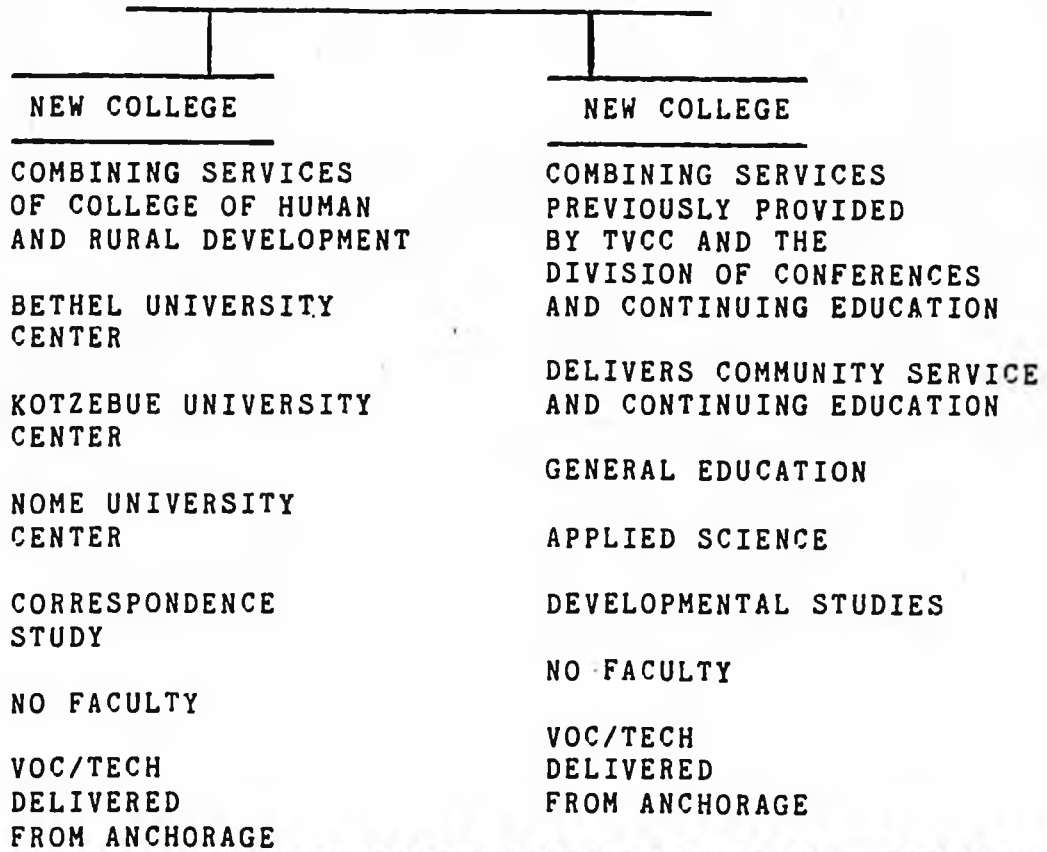
UNIVERSITY OF ALASKA, SOUTH CENTRAL

CHANCELLOR



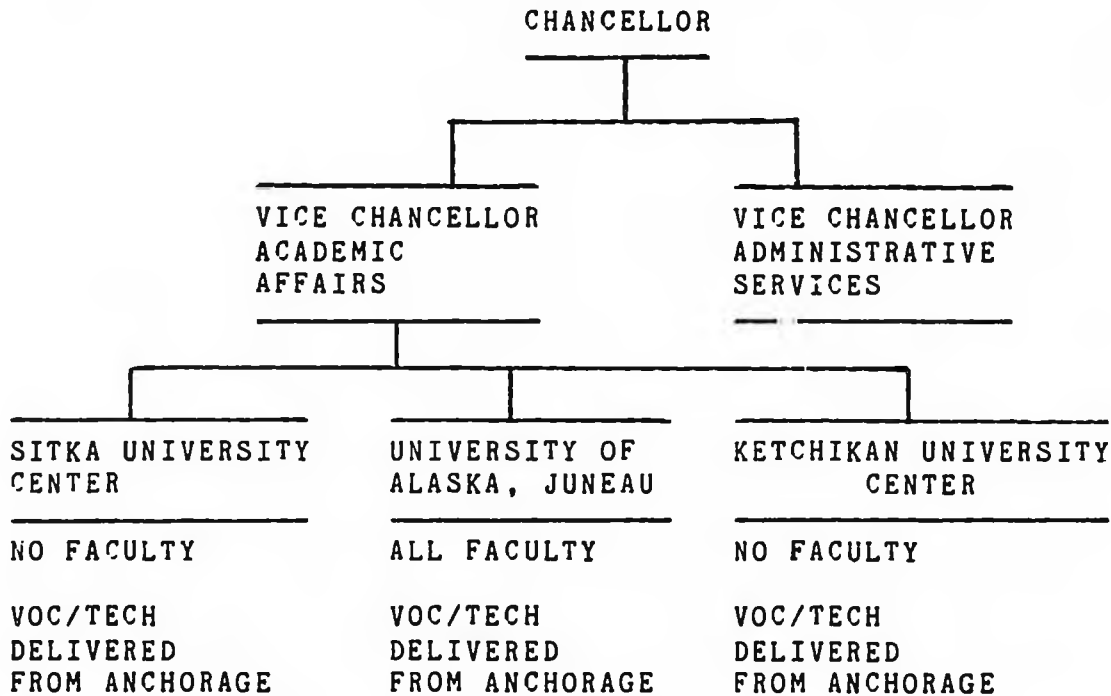
UNIVERSITY OF ALASKA, FAIRBANKS-INTERIOR AND WESTERN

EXISTING STRUCTURE  
UNIVERSITY OF ALASKA, FAIRBANKS



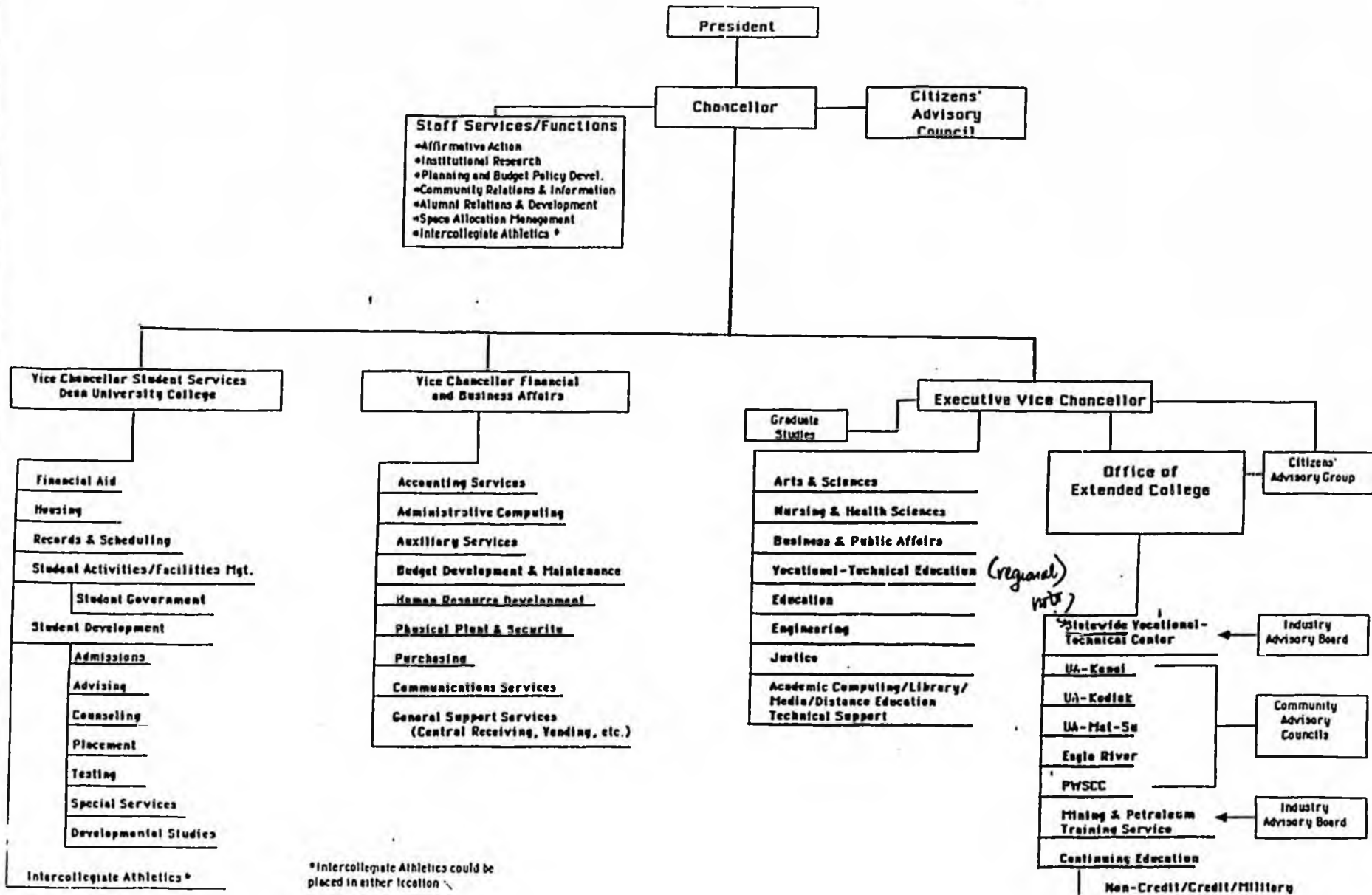
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UNIVERSITY OF ALASKA, JUNEAU-SOUTHEAST



JAN 8

Anchorage Institution  
DRAFT



\* Intercollegiate Athletics could be placed in either location

February 18, 1987  
University of Alaska  
STAFF BULLETIN

TO: Roy Huhndorf, President, and Members of the  
Board of Regents

FROM: Donald D. O'Dowd  
President

RE: restructuring the University

The following documents relate to Item 3 of the Agenda  
for the Board of Regents meeting, February 21, 1987.

DDO:dm  
cc: Chancellors

RECOMMENDATIONS  
TO THE  
BOARD OF REGENTS  
ON  
IMPLEMENTATION OF RESTRUCTURING  
THE  
UNIVERSITY OF ALASKA

Donald D. O'Dowd  
President  
February 16, 1987

I. Introduction

It may be useful to review briefly the background of the process of restructuring the University of Alaska which has been underway since the summer of 1986.

The reason for undertaking a massive redesign of the University system stems directly from the economic plight of the State of Alaska and the University. A review of the University's economic losses in the last two years provides a setting for the recommendations that are being presented to the Board of Regents.

In FY 85 the University's general fund appropriation was approximately \$170 million. For FY 86 the legislature appropriated \$2 million less for the University, reducing the general fund total to \$168 million. In addition, in FY 86 the University implemented a 4% across-the-board increase in employee compensation costing approximately \$5 million and for which no State funding was received. Thus, the available operating funds for all University activities were reduced \$7 million in FY 86. For FY 87, the current year, the legislature reduced the University's general fund budget to \$153 million during the legislative session. That action was further compounded by an executive action of the Governor on August 15, 1986, that reduced the general fund budget to \$143 million. At the present time the recommendation of Governor Cowper to the legislature for the FY 88 budget is \$132 million supplemented by an \$8.4 million transition fund that would permit the University to reduce operations in two stages, bringing it in FY 89 to a \$132 million general fund budget. However, \$2 million of the FY 88 budget is to cover costs of retirement contributions formerly paid by the

State, therefore the new budget level is effectively \$130 million.

The planning of the University has to take into account a potential reduction in University funding over three years of \$40 million, plus an additional unfunded \$5 million commitment in FY 86 for compensation increases, thereby requiring a \$45 million program reduction in three years. In addition to this the University has experienced new costs arising from liability, fire, property, health, and life insurance premiums, loss of interest income, and the opening of new facilities which amounts to \$8 million. Therefore, it is possible to say that the University has to manage a \$53 million, or 30%, erosion in its available operating funds since June 30, 1985, assuming that the Governor's budget recommendation is approved in its current form by the legislature. Such a loss of funds in percentage terms has not occurred at any other major public university in the United States since World War II. This is the most profound economic crisis that has been faced by a major university in the public sector in over 40 years. There is no precedent that can be examined for guidance and no textbook which describes how to cope with economic

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problems of the magnitude that the University is facing. This observation applies to the State of Alaska just as it does to the University and it calls for extraordinary steps to maintain the academic integrity and programmatic quality of the institution.

In the face of the dramatic economic problem which has continued to grow during the course of efforts to restructure the University, the President of the Board of Regents asked the President of the University in the Spring of 1986 to begin a process of reexamining every aspect of the University and to make recommendations to the Board of Regents for changes that would be appropriate in these extraordinary circumstances. In particular, the President was asked to find ways of simplifying the organizational and administrative structure of the institution so that it could operate more economically in a period of restricted State resources. It was clear to the President that he needed to examine the entire programmatic and organizational structure of the University and recommend to the Board ways in which the University could adopt a less expansive and expensive management structure and still deliver a respectable array of services to the people of the State. It was recognized that the University would have to be smaller, serve fewer people, and provide a narrower array of programs than it had done in a period when it had far greater resources with which to respond to public needs.

It is generally agreed among corporate managers that when an institution or a business experiences a dramatic loss in revenue or business volume, that it must reorganize its structure so as to be responsive to the new condition. Very few organizations are able to operate in a much leaner environment with the full array of programs and personnel which existed at a more affluent and expansive period. Corporations, businesses, and government institutions must all reconsider their structural elements at a time when they are dealing with a dramatic loss of volume or activity. Otherwise managerial wisdom says the institution is doomed to failure and will disappear from the business scene. It was this concern which motivated such careful and intense attention to the University's organization in this difficult period.

From late August through <sup>1 month</sup> early October the President and the University administration conducted an intensive examination of every major administrative unit of the University. Every effort was made to understand the programmatic commitments of the units, the clientele they serve, the priorities that they attach to their programs, their administrative organization, and the ways in which various segments of the University relate to one another.

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After this review careful attention was given to a number of different organizational structures which might permit the University to continue to provide high quality services to the public while reducing the administrative overhead which had accumulated over the years. There is no question that the University has the most elaborate administrative structure of any public university in the nation in relation to the number of people it serves and the number of programs that it offers. This

comes about because of the wide dispersion of population throughout the State and the commitment of the University to establish separately organized and accredited institutions in as many locations in the State as it could possibly afford. The University has acquired an administrator to student ratio certainly unmatched in public higher education in the United States. This is clearly a function of the very small population centers and efforts to provide comprehensive services at those locations whenever possible.

After careful study and a great deal of reflection a proposal was submitted to the Regents which represented the most compact administrative structure that could be devised for the University, and continue to provide quality educational services from regional institutions which would carry their own accreditation. It was proposed that the University could succeed in delivering quality service at all levels, from community college through graduate study, to the citizens of the State from three regional centers. The development of a single institution to serve the entire State did not seem feasible nor did it promise enough economy to justify the losses in regional services that would result. To establish more than three institutions is conceivable, but every time a new institutional organization is established some of the savings that could be attained would be lost. The three MAU model seemed the best and most economical that could be put forth given the current and projected economic state of the University.

At a meeting in Fairbanks on December 4 and 5, the Board of Regents gave careful attention to all aspects of the proposal for restructuring the University of Alaska. At that meeting the Board adopted the three MAU plan which envisions the establishment of three new regional institutions, each serving a wider area and providing a greater range of services than any of the current units of the University. These new institutions would include the array of educational services currently being offered in each of the regions and would manage these services with smaller and more compact administrative staffs than are now in place.

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It is estimated that the savings in administrative expenditures through restructuring will be in the order of \$6 to \$7 million a year on a permanent basis once the new structure is fully in place. This level of savings will probably be achieved in the summer of 1988 if the program can be expedited.

In addition to approving the three MAU model in December, the Board of Regents adopted a further explication of their intentions indicating the importance of retaining the functions of the current Community Colleges within the new institutions. In the plan presented below the spirit and letter of the Regents motion is included in the recommendations for implementation of the restructuring program. The Regents' motion is reproduced in Appendix A. The complete background of the recommendations presented to the Board of Regents at the December meeting is contained in a paper entitled "On Restructuring The University of Alaska Statewide System", dated December 1, 1986.

## II. Consulting Groups

In order to implement the restructuring plan a series of basic decisions must be made regarding each new unit of the University. These decisions concern the academic and administrative structures of the newly constituted institutions. This requirement is brought about by the amalgamation of functions and organizations into combinations which have not existed. Prior to working out the details of the operations of the new institutions it is necessary to determine the academic structure, the administrative support system, and the relationships between the existing units once they become part of a new aggregate of organizations, a regional institution.

In order to provide guidance on these crucial points, Consulting Groups were established at each of the three new units consisting of approximately 20 representatives drawn from the various organizations that are being brought together to form the new units. For example, in Fairbanks representatives of the University of Alaska, Fairbanks, the Community Colleges at Kotzebue, Nome and Bethel, Tanana Valley Community College, the CCREE administration and the Cooperative Extension Service, were

assembled to examine ways in which the new interior and western institution could be organized to provide appropriate services to all of the units which have existed as separate activities. The Consulting Groups were established following the Christmas break so as to not undertake the examination of important issues while faculty and students were not available. The Groups were given a short time to examine consolidation issues and then report to the President their findings so that he in turn could organize recommendations to the Board of Regents.

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It is urgent to complete this process because for every week that goes by without decisions the University is unable to realize the savings that will be needed to balance the budget for the coming fiscal year. It should be noted that by Board policy administrative and professional staff are granted six months notice before layoff and faculty as a general rule a full year notice before layoff actions take effect. Thus, any actions which take place in February of 1987 do not begin to accrue savings until August of 1987 in the case of professional staff, and July of 1988 for faculty members.

The three Consulting Groups were asked to respond to a series of questions drafted for each campus and which represented decisions that needed to be made early in the restructuring process, or were necessary in order to give appropriate charges to the task forces that will be appointed following action of the Board of Regents in February. The questions which were presented to each of the regional Consulting Groups are contained in Appendix B as a part of the bulletin that was used to establish the Consulting Group process.

Because of the pressure of time the Consulting Groups did not submit written reports, but rather shared in oral presentations the responses to the questions that were asked of each group. In large part, consensus was reached on the outline of structural elements that should be included in the new institutions. There were reservations expressed by individuals within the Groups about consensus positions, but generally agreement seemed to exist on the important points that need to be resolved in order to move forward with the design of the new units. Proposals and recommendations which are being forwarded to the Regents are reflections of this consensus as understood by the President and members of his staff who took part in the meetings. In cases where consensus did not exist, a proposal is put forward seeking to gain the best features of several points of view.

### III. Proposals and Recommendations

The recommendations for action by the Board of Regents are put forth below as a series of numbered points under each of the regional units. It should be noted that the points under some units, such as the treatment of vocational/technical education in the Anchorage Southcentral unit, has implications for the other two units as well. There are several points at which the recommendation in a given unit will impact upon other units of the University system and these are not repeated for other locations.

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#### A. Anchorage - Southcentral

This is the most complex unit to restructure of the three new organizations. It combines two large institutions, Anchorage Community College and the University of Alaska, Anchorage; the administrative headquarters of CCREE; and Kenai Peninsula Community College, Kodiak Community College, and Mat-Su Community College. In addition, it is the center of the largest vocational/technical instructional program in the University which must be effectively incorporated in the new institution. The number of faculty and students affected by this complex merger represents more than half of the total enrollment in the University of Alaska system.

In general there was consensus on the features of the new university, or at least strong feelings about the need for visibility of different units which has been accommodated in the recommendations. One area of disagreement which could

not be reconciled was the organizational structure of the institution and the role of the faculties. Therefore, a proposal is put forth which to a degree incorporates elements of both positions. The alternative formulation attempts to create a new institution which can meet the goals of both of the large existing campuses and continue to recognize the importance of the missions central to each institution.

The points of the restructuring implementation recommendation for the Anchorage-Southcentral institution are as follows:

1. The academic organization will consist of a Division of General Studies, a Division of Disciplinary, Professional and Career Studies, three University Centers at Kenai, Kodiak, and Mat-Su, and each report to the Office of Vice Chancellor for Academic Affairs. The Division of General Studies will be responsible for the general education, developmental and remedial education programs serving all students. This Division will recommend to the faculty the award of the associate of arts degree. The Division of Disciplinary, Professional and Career Studies will house professional schools, academic disciplinary departments and programs to deliver applied and vocational and technical studies. This Division will recommend to the faculty the award of associate of applied science, the baccalaureate and advanced degrees.
2. All faculty members will be appointed in appropriate departmental units. The departmental units will all be located within the Division of Disciplinary, Professional and

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Career Studies. A faculty member will be assigned to duties in each Division depending on teaching needs and the individual's skills and preferences. It is expected that most faculty will serve in both Divisions. The allocation of duties for a faculty member will be established at the time of original appointment and restated periodically. The Vice Chancellor's Office will determine faculty assignments to the two Divisions. Faculty in the University Centers will also be appointed in departments and assigned to the two Divisions.

The General Studies curriculum will be the responsibility of the entire faculty. Academic governance will be guided by a constitution to be developed for this purpose.

3. The University Centers at Kenai, Kodiak, and Mat-Su will each have a Dean or Director who reports to the Academic Vice Chancellor. The faculty in each Center will be department members and have duties relating to either or both Divisions. The direction of the faculty is the responsibility of the Center Dean or Director. In addition, the Center administrator will have a labor pool fund to make appointments and offer courses to fill local service needs. The approval of course offerings and temporary faculty are subject to periodic review by the Academic Vice Chancellor.
4. A separate unit reporting to the Chancellor will be established to deploy, coordinate and evaluate vocational and technical education throughout the University. This unit will be responsible for continuous oversight and review of training needs and programs across the State. Where there is a strong and sustained demand for vocational and technical training, resources will be committed to the location on a continuing basis. These programs will be subject to regular evaluations. Where a periodic demand or need exists for vocational/technical training, provision will be made for periodic course offerings. These continuous and periodic offerings will be under local supervision. In addition, local labor pool funds can be used for specific offerings. The Anchorage office will maintain a "quick-start" capability

to respond to unpredictable opportunities anywhere in the State. The Anchorage office will be required to work closely with business, industry, government, the Department of Education, and the public schools in developing University vocational/technical programs.

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It is anticipated that few changes in vocational/technical offerings will occur before Fall, 1988.

5. The Anchorage-Southcentral unit will have a Vice Chancellor for Student Affairs and a Vice Chancellor for Administration. Within each of the Divisions there will be Deans and Directors as needed to give direction to colleges, schools, departments, and offices.

#### B. Fairbanks-Interior and Western

The organizational problems that arise in creating a new institution by joining together a major University, one urban and three rural Community Colleges, plus a vast rural education region, were worked out with a reasonable degree of consensus by the Consulting Group. The needs expressed by the rural representatives are respected in the design which has emerged. At the same time the concerns for continuing services to University residential students and the citizens of the Tanana Valley region are addressed in the plan.

There are a number of detailed issues which must be worked out in this unit in the future, but these can be accommodated within the structure which is presented here for consideration.

1. A new College will be created that combines the elements of the existing College of Human and Rural Development, the new University Centers at Bethel, Kotzebue and Nome and rural services to the Interior, Bristol Bay, and the Aleutians. The Correspondence Study unit will be included in this College.
2. A second new College or unit will be established by combining the services of Tanana Valley Community College with elements of the Division of Conferences and Continuing Education. This new College, delivering community services and continuing education, will provide training in general education, applied sciences, vocational and technical studies and developmental studies for the Fairbanks area.
3. Faculty in the new Colleges will be appointed in appropriate academic disciplines and assigned and supervised by the College Dean or Center Director depending on the location of their services. Courses and faculty at the University Centers will be authorized by the appropriate school or department in the University. Each Center will have funds and authority to offer courses in response to local needs on a demand basis.

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Vocational and technical programs will be authorized in cooperation with the Statewide Center for Vocational and Technical Education.

4. The Cooperative Extension Service will coordinate the delivery of services throughout the State. The Director of CES will report to the Academic Vice Chancellor and directly supervise the generalist agents working throughout the State. The specialist agents in agriculture, fisheries, home economics, and other fields, will be assigned to their respective Colleges, with their field services coordinated by CES. Close cooperative agreements will be developed between CES and the Colleges. The ANHRDP will be transferred to the new College serving rural Alaskans.

### C. Juneau-Southeast

The structure that is proposed for the Juneau-Southeast institution recognizes both the limited size of the Juneau program and the importance of incorporating educational services at Ketchikan and Sitka as an integral part of the new enterprise. The proposal for integrating these programs seems to have had general acceptance by the participants in the Consulting Group and is advanced for your consideration.

1. The administrative structure of the Juneau-Southeast unit should consist of a Chancellor's Office to which report an Academic Vice Chancellor or Dean of Faculty, Directors of University Centers in Ketchikan and Sitka and a Vice Chancellor for Administration. The academic departments, divisions, schools, or colleges report to the chief academic officer.
2. The academic program structure should be kept as simple as possible in view of the enrollment in the Southeast region. The Master's of Education program provides a desirable link to regional public schools and a valuable service to the region and should be continued. The Master's of Public Administration lacks an adequate faculty base and will be reorganized when a University public policy faculty is assembled as a unit. The Master's of Business Administration will be phased out; the Master's in Fisheries will be awarded by the new statewide fisheries unit at the Fairbanks institution; and the Master's in Vocational Education will be moved to the Anchorage-Southcentral unit.

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3. All faculty in the Juneau-Southeast unit will be appointed in appropriate academic departments. The faculty assigned to University Centers will be supervised by the Center Directors. The Centers will have program and budget flexibility to approve courses and instructors in response to local needs. In addition, vocational and technical programs will be authorized for regional delivery in cooperation with the Statewide Center for Vocational and Technical Education.

It is evident in the above that many issues remain unresolved in the formation of the new University. Many of these concerns must await the formation of task force groups that will give intensive study to details of academic and administrative organization for each new unit. It should be noted, however, that there is no known instance when a redesign of a public university of this magnitude has been attempted in higher education except over a period of many years. This University is forced to do in weeks and months that which ordinarily takes years, but it is dealing with an economic situation the likes of which no other modern university has encountered.

One of the issues which is not yet addressed and will have to be resolved in the weeks ahead, is the organization of the several faculties which were described in the December report. These are the faculties of fisheries and marine sciences, health and medical teaching and research, public policy studies, and international trade.

The status of Prince William Sound Community College has not yet been determined. Prince William Sound Community College receives a substantial annual operating appropriation from the City of Valdez, and therefore is in a special category. It is planned to present at a later date an alternative design that will encourage local governments to provide a specified portion of the annual operating budget of a local educational unit as a means of attaining or retaining community college status.

The fisheries program has been under discussion, but several of the key University figures in fisheries administration have been out of the State on official business and have not been able to meet to formulate alternatives for the organization of the fisheries and marine science unit. The international trade program has moved forward a little more quickly than originally anticipated because of the initiative announced in January by Governor Cowper. In the public policy and health and medical

areas task forces must be created and results developed for consideration by the Board on the organization and location of these new enterprises.

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There are some delicate problems that need careful examination in the implementation of the new structure. For example, the relationship between the University Center at Sitka, Sheldon Jackson College, and Mt. Edgecumbe School, needs to be carefully examined and a set of agreements developed which benefit both the University and the community. The situation in Sitka requires special attention because of funding changes that have impacted several of the institutions which have been working together to formulate an educational consortium for that region.

That which has been recommended above is a series of basic directions within which the task force process can go forward. The outline of each campus is clear, but the details remain to be written. These details, in many instances, must be designed by the people on the scene, those most affected by the decisions, and those most knowledgeable about the programs that need to be in place. The plan is to turn now to local groups, calling on broad representation to help shape the details of the new campuses within the guidelines that have been proposed.

There are several questions that persist, in spite of endless reassurances which are answered in the presentation above. For example, there will be teaching units at each of the Community College sites that traditionally have been maintained by the University. These units will be able to provide the range of programs that they have in the past, including developmental studies; associate of applied sciences courses; associate of arts courses; vocational and technical training and cultural enrichment courses. In addition, all of these sites will gain the capacity to offer on a regular basis upper division courses leading to the baccalaureate although all of these services will be hampered by the shortage of funds.

Vocational/technical education will be available in all of the locations where it is today, although changes will occur over time in the programs offered based on a very careful study of the demand for that which is now being presented and the needs for vocational and technical education throughout the State.

It is a pleasure to report that the Consulting Groups for each of the new units believe that open admissions, a commitment to developmental education, services to non-traditional students, and a concern for assisting people in finding their way into and through higher education, are an obligation of every unit. This consensus developed quickly and universally in the Consulting Groups and will be included in the mission statements and values of each of the new institutions.

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Each of the Consulting Groups quickly agreed on the pattern of community advice that would be most useful for the new units. It was agreed that the University Centers should have locally based advisory groups and that these groups in turn should contribute to institutional advisory groups which would represent the communities and regions served by the new campuses. A careful plan of designing, selecting, and organizing these advisory structures will be developed for the institutions. In addition, a number of advisory groups to specific programs and activities will continue to exist and even be expanded with the creation of the new University structure.

Because of the great concern expressed over maintaining the integrity of the Community College mission, it may be appropriate to set up a mechanism which would guard this process from year to year. For example, the new institutions could be asked to report annually to the Board of Regents, as the CCREE units do today, on the characteristics, status, and success of the Community College mission.

In addition, the statewide administration might be asked to hold public hearings each year in which Regents could participate and the community would be asked to comment on the success of the Community College mission of each of the new institutions.

A third alternative might be to ask outside professionals who are expert in the community college area to visit the campuses periodically and report on the effectiveness with which the Community College mission is being maintained and delivered.

Each of these steps would provide the Board of Regents with

Report  
①  
② local public  
③ State public  
④

a reading on the maintenance of the Community College mission in the University through its three comprehensive regional units.

#### IV. Next Steps

The selection of Chancellors for the Anchorage-Southcentral and Juneau-Southeast institutions is scheduled to take place as soon as possible after the February Board of Regents meeting. These selections will be made from people already in the University and technically will be promotions within the terms of the University's personnel policies. The reason for proceeding in this manner is to quickly identify individuals to give leadership to the new institutions. It will be necessary to have persons who can devote full time to the creation of the new structure for both the Anchorage and Juneau based institutions so that the administrative and academic programs can be ready to go into operation at the earliest time without interrupting the on-going processes of the existing

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campuses. The University faces the unusual situation of having to bring new units into existence while existing campuses continue to provide a full array of services to their communities. The new Chancellors will have responsibility within guidelines established by the President and the Board for establishing the administrative structures, selecting people to fill the available positions, developing procedures for operating the new institution, and working out all the transitional problems.

It is anticipated that at some designated date, such as August 1, 1987, the seven campuses and the CCREE administrative offices in the Southcentral region will cease to exist and the following day the new Southcentral institution will be in place. This has to be done in such a way that all of the procedures and the programs move smoothly from the old structure to the new one without a loss of control or the failure of some system to operate. All of the business, student records, physical plant, and academic activities have to go smoothly from the old to the new operation. Many people will have to change jobs and activities on that day as they move from serving one institution to serving a new one. A great deal of work will have to be done to create a smooth transition of records and processes for all people involved. For example, a student's record will have to reflect a transition from an existing institution to the new one with a clear trail which indicates that student is enrolled in an institution which is a designated successor to the earlier enterprise. This is not an easy operation and there are very few precedents for making the changes that are proposed.

A number of steps will have to be taken to design the new merged offices for each of the new institutions. The offices of payroll, purchasing, accounting, admissions, records, etc., will have to be established, drawing upon personnel from the existing campuses. This process has already begun for the Anchorage-Southcentral institution. A committee has been set up corresponding to each of the offices to be merged, consisting of representatives from the three existing units. These groups are designing plans for the new offices that will emerge from the existing offices.

The second step in this process will be to appoint directors for these new offices from among the available staff and then fill each of the positions in the new offices starting at the senior professional level and working through the classified positions. In this process, of course, some people will receive layoff notices as the offices contract to the number of administrative staff who will be required to provide services in the consolidated mode. A similar procedure will be established at both the Fairbanks-Interior -Western, and the

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Juneau-Southeast campuses. Because the CCREE personnel have to be involved in all three of these procedures, it was decided not to undertake all three studies of campus consolidation at one time. Appendix C contains a memorandum on this process that has been shared in recent days with all employees.

The next stage in developing new unit programs will be to appoint a series of task forces which will study the many questions that have to be answered in the creation of the new

programs. The plan calls for establishing a main task force for each new unit, chaired by a Chancellor or Chancellor-designate, and made up of representatives of the component organizations that will come together to form the new institution. These groups in turn will appoint a number of working groups, or teams, to address specific problems that need resolution. For example, one team might draft a mission statement for the new institution. Another team would be concerned with the nature of faculty appointments in the new institution and how faculty would move from their current ranks and appointments to positions in the new institution. A third task force might identify the organization of student services in a new institution based on a different academic structure from the ones which exists in the programs that are being merged. The task forces and study groups will be made up of members of the University's faculty, staff and students, as well as community members who are particularly interested in aspects of the institution being addressed. It is conceivable that as many as ten to fifteen working groups would be identified in one of the new institutions to cope with a range of crucial problems that have to be resolved.

The task forces will screen and integrate the information from the work groups and send it along to statewide administration for final review and approval or recommendation to the Board of Regents in instances in which policy changes are involved.

The main task forces will be appointed in the ten days following Board action while the supporting groups may require another few weeks to be completed. A relatively vigorous timetable will be assigned to task forces so that the process of creating the institutions can move swiftly.

The goal of this effort is to move to a transition date when the existing campuses are phased out at 11:59 p.m. of one day and the new campuses come into existence at 12:01 a.m. of the succeeding day. Ideally, these dates will be during summer of 1987 so that the basic administrative structures of the three new institutions will be in operation for the next academic year. It is essential that progress be made so that funds can be captured to meet the rigorous budget targets which face the University in '88.

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It is likely that some features of the existing institutions will persist for another year, since it will take time to determine in a clear and unambiguous manner the best courses of action to advance various elements of the new institutions. For example, it is likely to take a full year to understand clearly how vocational/technical education should be organized in the University so as to provide, with available resources, the best services throughout the State. It may take another year to arrange the changes in programs and personnel necessary to fit the plans that will be developed this year. Some of the changes that are essential for the long-term well-being of the University can only be achieved slowly and cautiously if they are to be successful.

It is most regrettable that some people will have to be laid off in the months ahead and others will be unsettled by the relocation of duties and responsibilities. Every effort will be made to assist people in finding other alternatives within the University and in the community at large, and to ease the transition to a new employment status.

A principal goal of restructuring is to protect as much as possible of the service delivery capability of the University and maintain and even strengthen the quality of the programs offered at locations throughout the State. Every effort is being made to preserve the best in the University in the hope that the future will provide an opportunity once again to build toward new levels of effectiveness for the University of Alaska.

DDO:dm

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Appendix A

Board of Regents' Meeting  
December 4-5, 1986

PASSED AS AMENDED:

The Board of Regents approves the general concept of restructuring of the University of Alaska as presented by the president, and instructs the president to prepare detailed implementing plans in accordance therewith. The Board further instructs the president that the restructuring plan for implementation accomplish the following to the greatest degree possible:

- 1) Incorporation of specific details for assuring that multi-part mission statements, identity, vocational education, and local mechanisms for input are met.
- 2) That in the consolidation of functions currently performed in the universities, community colleges, distance delivery, and related program offerings within the system into the new three (3) regional administrative units, the president creates separate sub-units in each of the new three (3) MAUs to preserve the accountability of:
  - a. individual and unique missions, and
  - b. the budget identity of the existing organizational functions.

The Board further instructs the president to seek final Board approval of such plans prior to their implementation. This motion is effective December 5, 1986.

#### APPENDIX B 1-21-87

#### Questions to be addressed by the Consulting Groups

##### Fairbanks

1. How should the extension service, the community college and the university faculties be integrated in the new institution? (CCREE, CES and UAF faculty must be included in the solution.)
  2. What structures are required to protect and maintain essential elements of the community college missions, including urban (TVCC) and rural units?
  3. What should be the roles, organization, location and interrelationships of student support services, such as developmental education, counseling, admissions, registrar and financial aid?
  4. Where should the extended rural college be located in the structure of the new institution?
    - a. How will the extended rural college relate to CHR, X-CED, RAHI, etc.?
    - b. How will academic and supporting administrative services be provided to rural sites?
    - c. What administrative linkages are required between the Fairbanks campus and other sites?
  5. Where should the CES and correspondence studies be located in the new institution?
    - a. What will be the relationship of CES faculty to departmental school or college faculty?
    - b. What will be the relationship of CES to the research units, including the Agriculture and Forestry Experiment Station?
- How should the "statewide" faculty of fisheries and marine science be structured to operate effectively across the State and to integrate smoothly with the new institution?
7. What structural and administrative arrangements are required to reduce duplication and enhance complementarity between CES, community college, and conference and continuing education functions?

8. What advisory structures are needed for the new institution, including linkages to rural Alaska?
9. What elements should be included in the mission statements for the new institution? What one should be excluded?

APPENDIX B  
1-21-87

Questions to be addressed by the Consulting Groups

Juneau

1. What programs should be offered as an integral part of the new institution?
2. What programs offered from other UA units should be brokered by the new institution?
3. How should the new institution be structured to best deliver and broker the programs identified in #1 and #2 above?
4. How can the institution best provide academic and supporting administrative services to outlying communities in southeast Alaska?
5. How will community college faculty be integrated with other faculty in the new institution?
6. What is the best community/regional advisory structure for the new institution?
7. What elements should be included in the mission statement for the new institution? What elements should be excluded?

APPENDIX B  
-21-87

Questions to be addressed by the Consulting Groups

Anchorage

1. What elements should be included in the mission statement for the new institution? What ones should be excluded?
2. What should be the administrative structure of the new institution?
  - a. What administrative units should report directly to the Chancellor? to the Vice Chancellors?
  - b. Where should the major academic units, including voc/tech, be located in the organization?
  - c. How should the Mat-Su, Kenai, Kodiak, and Prince William Sound campuses fit into the institutional structure?
  - d. How should the voc/tech unit be linked to extended sites, e.g., community college sites?
  - e. What structures are required to protect and maintain essential elements of the community college missions?
3. How should the community college and university faculties be integrated in the new institution? (ACC, CCREE and UAA faculty must be included in the solution.)
4. What should be the roles, organization, locations, and interrelationships of student support services, such as developmental education, counseling, admissions, registrar and financial aid?
 

How should the centers or faculties in health and medical sciences, international business and trade, and public policy be organized in the academic structure?
6. What community advisory structure(s) should serve the new institution? (Anchorage, Mat-Su, Kenai, Kodiak, Prince William Sound, and some sites where voc/tech instruction, if

delivered, must be considered.)

APPENDIX C  
2-13-87

February 13, 1987

TO: Faculty and Staff  
FROM: Donald D. O'Dowd  
President  
RE: administrative staff reductions

In recent weeks I have been so distracted by the restructuring process, the new legislative session, and our extraordinary financial crisis that I have neglected to thank you for your continued dedication in serving our students, our publics and the citizens of the State.

I realize that our financial challenges are creating a level of insecurity for many members of the University. I understand these concerns and I am attempting to reduce, offset and ameliorate them. It is clear that many of you feel a great sense of frustration and helplessness because there is nothing you can do directly to correct the situation. I wish it were possible to promise each of you the job security you deserve, but I cannot give you that assurance. We must reduce administrative costs substantially, and this will mean a significant loss of jobs throughout the University. Please be assured, however, that across-the-board layoff notices will not be issued to administrative staff unless we are faced with additional major budget cuts.

The restructuring proposal is targeted to save at least \$6 million in administrative costs on a full year basis. However, full year savings will not start to accrue until July 1, 1988. In order to realize the level of administrative savings that we must attain, we will have to reduce staff for FY 88 and beyond. The most prudent course we could have followed would have been to issue immediate lay-off notices to all potentially affected administrative staff. However, I believe it is incumbent on the University to treat its employees with as much respect and fairness as possible. Therefore, my plan is to establish the basic structure of the three new institutions as soon as possible, then fill the administrative positions for these new institutions within the budget provided; and, finally, take action on individual layoffs as necessary.

We anticipate that some of the administrative savings will come from attrition and this will help reduce the number of layoffs required. In addition, we will make every effort to place employees who are on layoff status into openings as they become available. Therefore, I am asking each Chancellor at this time to hold open vacant positions to the extent possible until the structure of the new institutions is in place.

It is not possible to provide an exact schedule of the events that will occur in the next couple of months, but I can give you some general information.

I will make specific recommendations on restructuring to the Board of Regents on February 21. Some key restructuring decisions will be made at that meeting with follow-up decisions at the March 11-12 meeting.

I have asked the three Anchorage Chancellors to have their staff members in the administrative areas that will be consolidated (accounting, admissions and records, budgeting, etc.) to begin developing recommendations on a transition from the current office structure to the new consolidated offices. I anticipate that these recommendations will be ready for consideration in early March. Work on consolidating administrative offices for the new Fairbanks and Juneau institutions will be initiated after the Board of Regents meeting on February 21. The current CCREE

units will be impacted on the same time schedule as that which applies to the new institution into which they will merge, as the schedule for setting the administrative structure will apply equally to all units involved. Not all administrative areas will be affected by the restructuring process, such as those offices already consolidated and offices which are currently staffed at levels that require the continuation of existing personnel in order to provide adequate service.

As indicated in an earlier memorandum, I expect to appoint Chancellors to the new Anchorage and Juneau institutions by the end of February.

Later in March, we will select individuals for the administrative management positions of the consolidated offices within the new institutions. These selections will be from current employees, unless there are some unusual circumstances. Following these actions, appointments will be made at each level in the administrative offices until the new staffing pattern is completed and all layoffs have been announced.

I appreciate your continuing dedication and good work during this extraordinary period. I will try to keep you informed, step by step, of the activities that must be taken so that the University can survive as a high quality institution despite shrinking resources.

DDO:dm

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