

ALASKA LEGISLATURE

HOUSE and SENATE FINANCE COMMITTEE FILES,

1993-1994

1229

303

STATEWIDE PUBLIC BROADCASTING CAPITAL PROJECTS - 8/1/92

page three

**KSKO/ANVIK TRANSLATOR PROJECT -- \$11,900**

KSKO, the public radio station serving McGrath and the Interior, has submitted a federal NTIA grant to build a FM translator in Anvik, on the lower Yukon. Much of the lower Yukon is poorly served by public radio, and the people of Anvik have requested a translator that will bring them public radio for the first time. The total project is \$47,900, with NTIA providing \$35,925 (75%) in federal dollars. KSKO is asking the State for \$11,975 in matching funds for this project.

**Anvik Translator**

NTIA(federal) ..... 35.9  
State Match ..... 12  
TOTAL PROJECT ..... 47.9

**KRBD EQUIPMENT REPLACEMENT PROJECT -- \$20,000**

KRBD, the public radio station serving the Ketchikan area, has applied for a federal grant from NTIA to change radio frequencies and replace old and faulty equipment. KRBD's FM signal is being interfered with by another station, and they are seeking funding to purchase a new FM exciter and antenna to resolve the problem. The total project is \$80,035, with NTIA providing \$60,035 in federal matching dollars. KRBD is asking \$20,000 from the State of Alaska in capital funds to provide the 3 to 1 match required by NTIA.

**KRBD Equipment**

NTIA(federal) ..... 60  
State Match ..... 20  
TOTAL PROJECT..... 80

**KBBI UPLINK PROJECT -- \$33,500**

KBBI, the public radio station serving Homer and the lower Kenai Peninsula, is submitting a federal NTIA grant to install a satellite uplink at KBBI. The total cost for the project is \$134,000, with the federal government providing \$100,500 on matching dollars. KBBI is requesting matching State support in the amount of \$33,500 to complete the project.

**KBBI Uplink**

NTIA(federal) ..... 100.5  
State Match ..... 33.5  
TOTAL PROJECT..... 134

STATEWIDE PUBLIC BROADCASTING CAPITAL PROJECTS FY95

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**KCAW EQUIPMENT AND TRANSLATORS PROJECT -- \$43,000**

KCAW, the public radio station serving Sitka and many villages in Southeast Alaska, has applied for a federal NTIA grant to install FM translators in several villages, such as Yakutat, that are currently not being served by public radio. This grant would also replace old and worn-out equipment at the Sitka studios. KCAW has asked the National Telecommunications and Information Agency (NTIA) to provide \$131,850 (75%) in federal dollars and is asking the State for \$43,000 to complete this important project.

**KCAW Translator**

NTIA(federal) .....	131.8
<u>State Match .....</u>	<u>43</u>
TOTAL PROJECT.....	174.8

**KCUK SATELLITE DISH PROJECT -- \$16,200**

KCUK, the public radio station in Chevak, has been awarded a federal NTIA grant to install a new 5 meter satellite dish in Chevak. This \$64,900 project will allow KCUK to receive public radio programming directly from the satellite. NTIA will provide \$48,700 in federal funds for this important project, but KCUK is seeking State capital support in the amount of \$16,200 in matching dollars to complete installation.

**KCUK Satellite Dish**

NTIA(federal) .....	48.7
<u>State Match .....</u>	<u>16.2</u>
TOTAL PROJECT .....	64.9

**KNSA SATELLITE DISH PROJECT -- \$15,200**

KNSA, the public radio station in Unalakleet, has also been awarded a federal NTIA grant to install a satellite dish. The Unalakleet project will cost \$60,900, with NTIA funding 75% of the total project. KNSA must provide \$15,200 as 25% match for the project and is requesting State assistance in FY95 for that amount.

**KNSA Satellite Dish**

NTIA(federal) .....	45.7
<u>State Match .....</u>	<u>15.2</u>
TOTAL PROJECT .....	60.9

**KUHB SATELLITE DISH PROJECT -- \$16,500**

KUHB, the public radio station serving the Pribiloffs, has been awarded a federal NTIA grant in the amount of \$65,900 to purchase and install a 7 meter satellite dish. This will allow KUHB to reliably receive a signal from the public radio satellite. NTIA will provide 75% of the amount needed. KUHB is requesting \$16,500 from the State as a 25% match for this important capital project.

STATEWIDE PUBLIC BROADCASTING CAPITAL PROJECTS - FY95

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**KUHB Satellite Dish (cont.)**

NTIA(federal) .....	49.4
<u>State Match .....</u>	<u>16.5</u>
TOTAL PROJECT .....	65.9

**KIAL SATELLITE DISH PROJECT -- \$15,100**

KIAL, the public radio station in Unalaska, has been awarded a federal National Telecommunications and Information Agency (NTIA) grant in the amount of \$60,200 to purchase and install a satellite dish. KIAL is seeking capital support from the State of Alaska for 25% of this project, or \$15,100.

**KIAL Satellite Dish**

NTIA(federal) .....	45.1
<u>State Match .....</u>	<u>15.1</u>
TOTAL PROJECT .....	60.2

**KTOO EQUIPMENT REPLACEMENT -- \$37,500**

KTOO, the public TV and radio station serving Juneau, has applied to the National Telecommunications and Information Agency for a \$355,000 grant to replace old and inadequate equipment and to help with moving to a new facility. KTOO has asked NTIA to provide \$267,500 (75%) in federal funds for this critical project. KTOO is asking the State for \$87,500 in matching capital funds to complete the grant.

**KTOO Equipment**

NTIA(federal) .....	267.5
<u>State Match .....</u>	<u>87.5</u>
TOTAL PROJECT .....	355.0

**KCZP NEW EQUIPMENT -- \$29,900**

KCZP, the public radio station serving Kenai, has applied for a federal NTIA grant to purchase equipment that will allow KCZP to originate programming from Kenai. The total equipment grant is \$119,800, with NTIA providing \$89,900, or 75% of the project. KCZP is requesting State capital support this year in the amount of \$29,900 for the remaining 25%.

**KCZP Equipment**

NTIA(federal) .....	89.9
<u>State Match .....</u>	<u>29.9</u>
TOTAL PROJECT .....	119.8

#12

### Request for Supplemental Funding for Seed Potato Export

Potatoes grow and produce well in Alaska; with annual cash receipts of \$3 million (sold as tablestock potatoes), they are the most important agricultural crop in the state. One of the major advantages the Alaska potato industry enjoys is the absence of virus diseases. Potatoes sold as tablestock today can be marketed as virus-free seed potatoes, should a proper seed potato certification system be established. The benefit in marketing Alaskan potatoes as virus-free seed potatoes is in the price: premium quality virus-free seed potatoes are worth \$80 to \$150 per hundred weight, compared to tablestock potatoes which are sold at \$4 to \$16 per per hundred weight.

The world seed potato market is valued at \$5 billion per year. Virus diseases are the most serious problem of seed potato industries in the US, Canada, Mexico, Taiwan and Euporean countries. Serious virus problems in Pacific Northwest states and in Canada created a severe shortage in virus-free seed potatoes. This shortage is most likely to increase due to the high cost of insecticides needed for controlling potato virus diseases (transmitted by specific insects), and increasing concerns about the adverse impact of pesticide uses on workers' health, food safety and the environment.

In recognition of this opportunity, the Alaska Farmers and Stockgrowers's Association unanimously passed resolutions in 1991, 1992, 1993, 1994 to support the development of virus-free seed potatoes for export. This project was also approved by the entire body of the Alaska State Legislature. Unfortunately, financial support for this project, appropriated by the legislators, was vetoed by the Governor because he was incorrectly advised that there was no market for Alaska-grown seed potatoes.

Bilateral trade talks between Taiwan and the US were held in early November, 1993. Exporting US potatoes to Taiwan was one of the major issues discussed. At the conclusion of the meeting, the state of Alaska beat out the states of Washington, Oregon and Idaho and won the sole privilege of exporting virus-free seed potatoes. The significance of this privilege is that it provides Alaska potatoes a market; but more importantly, it provides an opportunity for the reputation of Alaskan virus-free seed potatoes to leap to "international quality" in one bound. Confirmation of the quality of Alaskan virus-free seed potatoes will then open markets in various states in the US, in Canada, Mexico and other countries.

In the agreement, Taiwan stipulated that Alaska must provide field survey data to demonstrate that diseases of their concern are absent from its environment. An inspector will come to Alaska to inspect seed potato production and certification, and the disease diagnostic capability with respect to virus, bacterium fungus, and nematode diseases. Becasue the existing Alaska seed potato certifiact in system does not meet the standards for virus-free seed potatoes, it is crucial to upgrade the system before the inspector arrives from Taiwan in summer, 1994. To upgrade the system we need funds to equip disease diagnostic facility, hire disease diagnosticians and install stringent certification procedures. This project complements the potato program of the Division of Agriculture.

A total sum of \$119,400 will be needed to establish the facility. The itemized budget is as follows:

Diagnostician (virus diseases), 2 man-months with benefits	\$9,600
Diagnostician (bacterium diseases), 2 man-months with benefits	\$9,600
Diagnostician (fungus diseases), 2 man-months with benefits	\$9,600
Diagnostician (nematode diseases), 2 man-months with benefits	\$9,600
Equipment	\$75,000
Chemicals and supplies	\$6,000
Total	\$119,400

SENATE FINANCE COMMITTEE  
 Amendment Number: 12  
 Bill Number: 203  
 Sponsor: [Signature]  
 Date: 4/29/94  
 Logged In By: [Signature]

AMENDMENT

TO: CS SB 363(FIN)

Page 40, line 14,

Delete: "Tanana"

Insert: "Nenana"

SENATE FINANCE  
COMMITTEE  
Amendment Number: 13  
Bill Number: CS SB 363  
Sponsor: Miller Date: 4/29/94  
Logged In By: [Signature]

Amend. #14 not

passed.

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR JACKO

to CS SB 363 (FIN): to "J" draft dated 4/27/94

Page 26, line 13

Delete: "Small Utility Improvements (ED 99)        \$2,000,000"

Insert: "Small Utility Improvements (ED 99)        \$500,000"

SENATE FINANCE  
COMMITTEE  
Amendment Number: 15  
Bill Number: SB 363  
Sponsor: Jacko Date: 4/29/94  
Logged In By: [Signature]

*DNR Response to 3-31-94 Committee requests.*

# STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

## DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

400 WILLOUGHBY AVENUE  
JUNEAU, ALASKA 99801-1796  
PHONE: (907) 465-2400  
FACSIMILE: (907) 586-2754

April 1, 1994

The Honorable Drue Pearce  
The Honorable Steve Frank  
Co-Chairs, Senate Finance Committee  
Alaska State Legislature  
State Capitol  
Juneau, Alaska 99801-1182

Re: DNR CIP questions

Dear Senators Pearce and Frank:

This is in response to questions or additional information requested during the testimony on Tuesday evening, the 29th of March.

**Isabel Pass Pipeline Construction Camp.** The committee requested more information on background on this site and the cleanup responsibility.

**Response.** Ron Swanson provided a response to this question in his memo of March 30. I have attached a copy to this letter.

**Multi-mission Village Crews:** Senator Kelly asked if we had ever used prisoners to fight fires.

**Response.** Convicts have not been used to fight fires in Alaska. One of the principal reasons is the amount of training required for certification under the National Incident Management System standards that the Division of Forestry has formally adopted. Much of this training is not conducive to being taught to incarcerated inmates.

A second reason is that the fire suppression program is of considerable importance to the employment opportunities to many rural communities. Approximately 1300 personnel in some 73 trained and organized Emergency Fire Fighting crews are active from many villages and communities. Because of this tie to the Native communities we qualify for federal training funds from the Bureau of Indian Affairs

**State Park's Emergency Repairs.** There was a request for more information on how we arrived at the \$45.0 amount for the Wickersham House roof replacement and repair.

**Response.** The Division of Parks advertised for construction bids in June of 1991 for the re-roofing as an Additive Alternate to other restoration work that was on going. Two bids were received, the lowest bid was for \$40.0 and the highest was \$55.0. The project was not awarded that year due to insufficient funding available. The highest priority for the money available at the time was foundation work and exterior repairs that needed to be accomplished. There was some interim patching of the roof however the roof is in need of total replacement.

Repair costs are higher on a historical structure such as this because of the requirement for custom work and the goal of restoring all features of the house to replicate its original appearance using historic fabric and materials where practicable.

**Geophysical/Geological Mineral Inventory.** A question was asked concerning funding for DGGS to do some airborne magnetic surveying of the Bethel Basin with funds that had originally been provided by CIP to the Alaska Energy Authority.

**Response.** Tom Smith, Director of DGGS said that the remaining funds, in the amount of \$158.0, had been RSA'd from Community and Regional Affairs to DNR. This RSA was sent to OMB for processing requesting expeditious handling. We do not anticipate any problem in being able to process a contract and execute this project during the summer season. This FY94 project is not included in the FY95 CIP request.

**Forest Practices Act Effectiveness Research.** A question was raised about the need to assess the effectiveness of only one year's practices under the Forest Practices Act.

**Response.** The Alaska Forest Resources and Practices Act of 1990 provides that research and monitoring of the effectiveness of the Act will be an integral part of protection of fish habitat and water quality. The best management practices, riparian buffers and special requirements for reforestation and wildlife have been in place since 1990 and, while it is known that the act provides strong protection these protection cannot be substantiated as to effectiveness. Furthermore, too little was known to treat some issues at the time the act was drafted and no additional information was available when the regulations were promulgated.

There is currently an examination of the effectiveness of one part of the act - trees removed from private land buffers under AS 41.17.087 - which needs to have effectiveness research in order to be completed. As time goes by, other parts of the act will likely be examined and absent some

The Honorable Drue Pearce  
The Honorable Steve Frank  
Co-Chairs, Senate Finance Committee

April 1, 1994  
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level of research those examinations could be similarly disquieting and costly.

**Forest Inventory.** Senator Kelly asked about the purchase of computers under the project.

**Response.** There are no longer any computer purchases in this project. The project originally was requested at the \$700.0 level and included funds for purchases of \$25.0 for computer hardware and software to support the project at the Northern Regional office of the Division of Forestry. When the project was scaled back to a \$100.0 request, the computer funding was eliminated.

**National Historic Preservation Fund (NHPF) and Federal Grants.** A question was raised on the matching funds portion of this federal grant project.

**Response.** This program is based on a 60/40 match for selected programs. The general fund match funds are provided from the operating budget GFM of the Historic Preservation Program.

**Land and Water Conservation Fund (LWCF) Federal Grants.** The question here regarded the source of the matching funds also.

**Response.** This project is for a 50/50 match of federal funds to state agencies and local communities for planning, acquisition, and development of outdoor recreation facilities. The match in this case comes from the requesting governmental entity. If the Division of Parks is the recipient of an LCWF grant, the match is made from existing parks operating funds.

I hope these responses are helpful in your consideration of the department's capital budget. If I, or my staff, can be of further assistance don't hesitate to ask.

Sincerely



Harry Noah,  
Commissioner

cc: Senators: Jacko, Kelly, Rieger, Kerttula.

The Honorable Drue Pearce  
The Honorable Steve Frank  
Co-Chairs, Senate Finance Committee

April 1, 1994  
Page 4

bcc: Budget Distribution List

# STATE OF ALASKA

## DEPARTMENT OF NATURAL RESOURCES

### DIVISION OF LAND

WALTER J. HICKEL, GOVERNOR

3601 C STREET  
P.O. Box 107005  
ANCHORAGE, ALASKA 99510-7005

March 30, 1994

The Honorable Drue Pearce  
Co-Chair, Senate Finance  
Alaska State Legislature  
State Capitol  
Juneau, Alaska 99801-1182

Re: SB 363 - Isabel Pass

Dear Senator Pearce:

At last night's hearing you requested additional information concerning our proposal for possible clean-up of the former Isabel Pass pipeline construction camp.

Unfortunately, some of the information I provided at the hearing was not entirely correct. This letter should clarify the legal status of the site and provides details of how the money would be spent.

This site was identified for consideration under the 1991 Memorandum of Agreement regarding contaminated sites between the resource agencies.

Isabel Pass Camp was the site of a construction camp during the building of the Alyeska oil pipeline. It was leased to Alyeska Pipeline Service Company in 1974 to serve as the base for construction activities in this geographic area. The lease was issued for 5 years with an expiration date of July, 1979. However, in order to accommodate the lessee in removing the improvements the lease was extended until 1984. During this time Alyeska Pipeline Service Company assigned the interests in the lease (and the improvements/structures) to Arctic International Service Company in 1982. There were various attempts by the new lessee to obtain a long term lease and use the site for various purposes (eg. prison site, recreational lodge). However, the DNR denied any long term lease and required the lessee to remove improvements and rehabilitate the site. The lease expired in July, 1984 prior to site rehabilitation. A land use permit (84-098) was issued to authorize the removal/rehabilitation operation. The removal operation was completed in 1988.

The DNR suspected the area of having unknown construction material buried on site.

Senator Pearce  
March 30, 1994  
Page 2

The DNR suspected the area of having unknown construction material buried on site. Also, there was evidence of soil staining in various locations to indicate possible releases of petroleum hydrocarbons. The site is relatively isolated from populated areas but is within 2 miles of Summit Lake, a popular recreation area. There is a legal question as to who is liable for any further remedial action on this site. Alyeska Pipeline Service Company received approval to assign its interests to Arctic International Service Company. That company then received an approval that they completed removal operations in accordance with the lease/permit conditions; however, an environmental assessment was never conducted to determine environmental contamination from the use of the site.

In order to assess the suspected contamination located there - it is proposed to conduct a site history review and Phase I Site Assessment including a geophysical survey and limited soil sampling program. This will allow the DNR to then determine the environmental condition of this site and if the former lessees are liable for any remedial action related to their past activities.

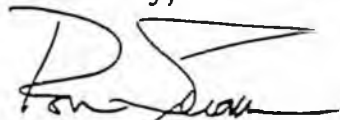
The following activities and estimated costs are proposed for conducting this assessment:

Scope of Work	Cost	Schedule
Site History/File Review	3.0	August, 1994
Develop Project Work Plans (Site Safety, QA/QC, and Sampling Plans)	3.0	August, 1994
Mobilization September, 1994		6.0
Electromagnetic Survey/Magnetometer Survey	10.0	Sept/Oct, 1994
Site sampling and analysis		
--Soil Sample borings (10 @ \$300/borehole)	3.0	Sept/Oct, 1994
--Analysis (30 samples for DRPH, TPH, metals)	12.0	November, 1994
Final Report December, 1994		8.0
Total Cost Estimate	45.0	

Senator Pearce  
March 30, 1994  
Page 3

I hope this answers the questions that you had. Please feel free to contact me if I can be of further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Ron Swanson". The signature is stylized with a large, sweeping initial "R" and "S".


Ron Swanson  
Director

cc: Nico Bus

SFC  
3-29-94  
PM

WALTER J. HICKEL, GOVERNOR

MARGARET R. LOWE, COMMISSIONER

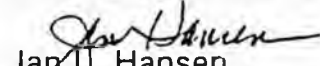
DEPARTMENT OF   
DIVISION OF PUBLIC ASSISTANCE

P.O. BOX 110640  
JUNEAU, ALASKA 99811-0640  
PHONE: (907) 465-3347

MEMORANDUM

DATE: February 16, 1994

TO: Janet Clarke  
Director  
Division of Administrative Services

FROM:   
Jan U. Hansen  
Director  
Division of Public Assistance

SUBJECT: Revised EIS Enhancement for FY95 CIP Computer Project

Attached is the revised FY95 Capital Projects document (CP1) for the Division of Public Assistance. The total FY95 CIP for EIS Enhancements has been revised from \$ 2,803,600 to \$ 2,417,300. The amended version also deletes a request for State general fund match, and changes the funding source to 100 percent Federal receipts.

The high quality of Food Stamp program casework done by the Division of Public Assistance in FFY 1993, will likely qualify Alaska for a one-time federal award of approximately \$ 1,308,900. This award may be used to obtain regular Federal matching funds for AFDC, Food Stamps, and Medicaid. We anticipate total Federal receipts of \$ 2,417,300 that we request fund our urgently needed computer projects.

Please review our revised request and forward to OMB for their CIP project actions.

Thank You.

PROJECT TITLE: EIS Enhancement Project			
LOCATION: Juneau	COMPLETION DATE: June 1998	ELECTION DISTRICT: 99	
PROGRAM: Social Services	TYPE: Information Systems		
FUNDING	CAPITAL REQUEST	OPERATING COSTS	NEW POSITIONS (PFT)
1002 FEDERAL RECEIPTS *	\$ 2,417,300		\$ 792.6 Project PCN's
* See funding source section on page 2			
TOTAL \$ 2,417,300			

**PROJECT DESCRIPTION AND JUSTIFICATION**

This project is designed to prolong the life of the Eligibility Information System (EIS) and to integrate technology which will increase user productivity, and preserve accuracy in the delivery of Public Assistance benefits and services. The EIS provides automated support to 433 system users for the following programs administered by the Division of Public Assistance: Aid to Families with Dependent Children (AFDC), AFDC Unemployed Parent, Medicaid, Food Stamps, interim Assistance, Adult Public Assistance, General Relief, General Relief Medical, Job Opportunities and Basic Skills (JOBS), Employment and Training, and Permanent Fund Dividend Hold-Harmless.

**PROBLEM**

The Eligibility Information System (EIS) developed in 1982 was implemented in 1984. The system currently supports work processes of the mid 1980's. In 1984 public assistance cases totaled 19,477. In FY93 the caseload totaled 43,998, equating to a 125 percent caseload increase since 1984. Caseload growth is expected to continue to increase another 12 percent in FY94. The EIS supports formula programs for Aid to Families with Dependent Children (AFDC), Food Stamp Program (FSP), and Adult Public Assistance (APA) which in FY94 cost \$199,230,100.

The Division has been assessing the future capabilities of EIS to handle increased caseloads and more complex policies. A primary goal was to determine whether or not the EIS is a suitable base upon which to build the Division's data processing future. Eligibility Management Systems, Inc. (EMS) was hired in June 1992. In September 1992, EMS, reported to the Department that "Although EIS is not in need of emergency treatment, a significant redesign would be required for EIS to meet all of the system requirements users had identified". EMS concluded in the System Analysis Report (SAR) that the primary criticism and external constraint on EIS was the lack of sufficient resources to support the ongoing maintenance of the system. A backlog of some 429 Work Requests, of which 127 are HOT and IMPORTANT, and some date back to 1984, compete unsuccessfully with Federal and State mandates and routine Data Center software upgrades requiring EIS changes.

CAPITAL  
**CPI** PROJECTS  
DESCRIPTION

AGENCY: Division of Public Assistance

FY 95

Page    of     
Revised:  
February 15, 1994

## PROJECT DESCRIPTION AND JUSTIFICATION CONTINUED

It is crucial that the Division continue to generate EIS enhancements that will increase field staff productivity and efficiency. Field caseload growth in FY94 demonstrated a need for 29 new positions, in which current State revenue shortfalls allowed for "no" new field positions in FY 95. The FY94 EIS-Enhancement budget requested funding for a two-year enhancement project which was justified with a projected cost avoidance equivalent of 15 PFT positions because of a net gain in field staff productivity. FY94 CIP funded only the first year of the project. This budget represents the funding for the projects second year. It is important that precautions be taken to identify and avoid problems that could negatively influence the completion of the project. The Division understands the current shortage of State operating funds and the impacts of declining oil revenues. With budget shortfalls resulting in the inability to fill positions, or add new staff despite caseload increases the Division has identified crucial automation needs to reduce the risk of not meeting Federal and State mandates for timeliness and accuracy while providing necessary cash, food, and medical assistance to disabled, elderly, and low-income Alaskans.

### PROJECT FUNDING

Through the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS) and the Department of Health and Human Services (HHS), Administration for Children and Families (ACF) and Health Care Financing Administration (HCFA), the agency is entitled to regular Federal Financial Participation (FFP) at the 50 percent match rate.

FY95 presents a unique opportunity for project funding. The Food Stamp Act includes a provision to help attain better food stamp case payment accuracy. It provides financial incentives to reward states that achieve very low payment error rates. These awards are rare with only three or four states getting the special federal award. Because of the high quality of Food Stamp Program casework done by the Division of Public Assistance in FFY 1993, it is likely Alaska will qualify for a federal award. This one-time federal award is expected to be approximately \$1,308,900. If granted, it would be available in FY95. Alaska's eligibility for the award and its precise amount is calculated by the Food and Nutrition Services which will notify the state once the payment accuracy review is complete. Use of the funds are left to state discretion. The Division proposes to use this one-time federal award it earned to fund FY 95 computer enhancements. The funds awarded may be used as the State's share of EIS project costs and can be used to obtain regular Federal matching funds from AFDC, Food Stamps, and Medicaid. The FY95 total project request is \$ 2,417,300 (100 % Federal receipts).

CIP funding in FY95 is necessary to complete the EIS On-line enhancement begun in FY94, the project's first year. Without FY95 capital funding, the Division will be forced suspend the EIS-Enhancement project before implementation of the productivity saving enhancements. Other projects to be funded by the FY95 CIP budget include complex programming to accommodate federal mandates in increased participation rates for the Alaska Work Programs (AWP), Job Opportunities and Basic Skills (JOBS) program. This project works to remove clients from the welfare roles. Long-term benefits will be achieved by providing clients with services which move them towards self-sufficiency thereby reducing public assistance caseloads.

PROJECT DESCRIPTION AND JUSTIFICATION CONTINUED

PROJECT COMPONENTS INCLUDE:

CATEGORY	FY95 TOTAL	FEDERAL
<b>1. PRODUCTIVITY - "DOING MORE WITH LESS"</b>		
A. EIS FIXES-ADDRESS THE 127 HOT AND IMPORTANT OUTSTANDING WORK REQUESTS	\$1,029.1	\$ 1,029.1
B. PRODUCTIVITY WORKFLOW ANALYSIS	\$ 150.0	\$ 150.0
• ELECTRONIC FORM DEVELOPMENT	\$ 22.5	\$ 22.5
• INTEGRATED VOICE RESPONSE	\$ 170.0	\$ 170.0
SUB-TOTAL	\$1,371.6	\$ 1,371.6
<b>2. FEDERAL MANDATES</b>		
JOBS CHILD CARE/SUPPORTIVE SERVICES/FEDERAL REPORTING	\$ 833.2	\$ 833.2
Sub-Total	\$ 833.2	\$ 833.2
<b>3. DATA RETRIEVAL</b>		
REDESIGN REPORTS, INTERFACES, AND REFERRALS	\$ 212.5	\$ 212.5
SUB-TOTAL	\$ 212.5	\$ 212.5
<b>FY95 TOTAL CIP</b>	<b>\$2,417.3</b>	<b>\$2,417.3</b>

PROJECT CATEGORIES:

- 1A) This is an in-house project to support EIS users with some essential enhancements to correct processing inefficiencies within the system. Phase I of the EIS On-line enhancement project was funded in FY94. This budget includes the cost of Phase II. Other EIS Enhancements comprise future automation needs through FY98, when the Division will again assess the need for replacing the system.
- 1B) The Division's Imaging project ranked 4th in the Statewide Assessment report. The contractor ranked this project as one with a high Return-On-Investment (ROI). This CIP request is for a contracted workflow study which entails a (contractor advised) Business Process Re-Engineering analysis and includes a study of several supporting technologies.

## PROJECT DESCRIPTION AND JUSTIFICATION CONTINUED

2. This is a contracted project which will enable the Division to correct inadequacies with the JOBS Automated System (JAS) and adds automation to support Alaska Work Programs (AWP) to attain federally required annual increasing JOBS participation rates.
3. This project will be a contracted Redesign to update the inadequate 1982 EIS-Management Information System. The project will modernize report formats, methods of retrieval and output of statistical data and reports. New technology provides new methods of data interfacing and information retrieval.

### PROJECT RELATION TO FY95 OPERATING BUDGET

The FY95 operating BRU depicts a cost avoidance of twelve positions because of planned FY94 EIS Enhancements. Unless caseloads decline and welfare policies are simplified the probability of reducing the current operating BRU is doubtful. However, the agency does foresee the ability to reduce requests for future positions by investing in upgrading EIS and adding available technology to increase automation, thereby increasing productivity.

### PROJECT COST ESTIMATES

Project costs were calculated using current personnel salary and benefit schedules with increments for step increases and COLA's. Contractual, supplies and equipment were based on identified needs such as space, modular furniture, etc. and an equipment formula per person of \$3000 for new positions and supplies of \$200 for existing positions. Professional Services contract estimates for level of effort and rates were computed using the cost analysis completed by Eligibility Management Systems, Inc. (EMS). Contractual rates used were \$140 per hour for Project Management and Technical support, \$100 per hour for analyst/programmers, and \$80 per hour for training and testing staff. Assumption is that rates for in-state vendors include overhead, and out-of-state vendors exclude space. This is based on experience and Federal oversight recommendation. It is assumed that components 2 and 3 above require expertise not available in Alaska. It is assumed that the professional expertise required for the remaining components is available in State.

### OPERATING COST ESTIMATES

The EIS has been in operations since 1984. No new EIS Mainframe operating costs will be incurred and increases in existing operating will be normal inflationary. Annual operating and maintenance costs in FY93 were \$3.6 million which will be incurred regardless of the project. The exceptions to this are: projects in planning stages such as, IVR which will require a complete cost/benefit analysis during the Productivity Workflow Analysis. The operational cost for automation such as IVR is to be outweighed by productivity gains or cost shifts. Operating costs for IVR are telecommunication charges for Logical Units (lines), telephone company services, and long distance. The long distance charges will be contained by installing the system in Anchorage. All public assistance offices currently have 1-800 numbers. The assumption is that calls will be redirected, creating a cost shift, which will be cost neutral.

## PROJECT DESCRIPTION AND JUSTIFICATION CONTINUED

### ALTERNATIVES EXAMINED

After completing a feasibility study and cost/benefit analysis of three viable alternatives (REDESIGN EIS, TRANSFER ANOTHER STATE'S SYSTEM, OR DEVELOP A NEW SYSTEM) the contractor EMS made the following recommendations to the Department:

#### a. Continue to enhance EIS while choosing a long-term course of action

There are 429 outstanding work requests, 127 are classified HOT or IMPORTANT. The 127 HOT and IMPORTANT work requests need to be acted upon quickly. The Department should begin the process of getting positions and funds approved to enhance Systems Operations Section, as soon as possible. Failure to take action will mean that the most difficult changes to EIS, those changes that will have the most beneficial effect on program administration, will become more risk laden each year. It may take up to six months for newly hired staff to reach the minimum productivity level necessary.

Staff have maintained and improved EIS during the past years while completing an average of 90 work requests per year. Work requests are assigned by the prioritization committee. Written EIS work request procedures are followed regularly. The procedures are well planned, clearly stated and sensitive to the particular environment in which staff must operate. These documented procedures are of significant importance, since the primary focus of the section's efforts is work request completion.

#### b. Plan to replace EIS

The system was not designed to accommodate the massive changes which have occurred in administering public assistance during the past nine years. Eventually the goal to improve flexibility will be most difficult to reach with the EIS architecture. Since replacement or reengineering of EIS will take 3 to 4 years, planning and funding for the activity should begin immediately.

### IUSTIFICATION

Even though EIS will eventually be replaced, the EIS Feasibility Study contractor warned that the Division needs to continue to enhance the EIS to increase the processing efficiencies of the system and staff. Additional programming staff are needed to perform more effective modifications to the system. Growing caseloads and the dynamic nature of welfare do not permit a freeze on improvements while waiting for a new system. Increased caseloads coupled with system inefficiencies strain staff ability to produce timely and accurate benefits. This project is expected to gain operational savings through productivity improvements.

EIS users have waited two years for work load relief pending the results of the EIS study. EIS Enhancements which increase staff productivity are essential. In some instances required user system enhancements date back to system implementation.

## PROJECT DESCRIPTION AND JUSTIFICATION CONTINUED

Unless additional resources are provided needed user enhancements will never be achieved. The Division expects to save \$17.5 million dollars in productivity and accuracy cost avoidances between FY95 and FY98 by enhancing EIS.

Many needed work requests were suspended pending the outcome of the feasibility study. The incomplete JOBS Automated System (JAS), for JOBS Child Care and Supportive Services payments module is one example. JAS automation is urgent based on federal mandates to increase participation rates, and the consequences of not automating will impact the successful outcome of the JOBS program. Providers must be paid timely. Federal reporting for JOBS is complicated and must be automated to insure accuracy, manage tracking and avoid the cost of adding staff.

Short range changes to EIS are constantly needed to accommodate changing State and Federal requirements. Existing agency resources can not keep pace with necessary system changes. For example between May 1993 and August 31, 1993 the agency had to suspend all system work in progress to adapt the EIS to include the Public Assistance Benefit Reductions based on House Bill 67, effective October 1, 1993.

New program initiatives rarely consider impacts to existing Automated Data Processing (ADP) systems which can cause degradation to the integrity of the system and place significant burden on the user. The dichotomy between policy and system implementation has left the Eligibility Technician with most of the complex decision-making responsibility and increased workloads. The EIS has not been able to keep up with supporting the ET in this complex role. The addition of new programmatic requirements which the original system design of the EIS never anticipated has resulted in layers of complex functional programs and data manipulation.

A modest investment of one percent annually of the Division's formula program budget will help improve worker productivity and preserve the integrity (benefit accuracy) of EIS. When program policy changes dramatically or we desire to significantly improve worker productivity an EIS replacement will be needed. The Division does not anticipate this before FY98. Any development to begin replacing the EIS in FY98 will average three years to design, develop, test, train, and implement. Consequently EIS needs to be routinely enhanced to remain functional through the year 2001.

The State of Alaska can't afford to allow benefit accuracy levels to deteriorate. Even a one percent decline in AFDC payment accuracy rates equates to \$1.4 million (GF/GFM/FFP) in misspent benefits per year.

### EXAMPLES OF ESSENTIAL EIS ON-LINE ENHANCEMENTS

Redundant data entry and system transactions can be eliminated by reducing the number of screens and the number transactions required. Combine EIS screens such as prospective and retrospective budgeting screens to save time.

Display in order of priority claims information for Aid to Families with Dependent Children (AFDC), Food Stamp Program (FSP), and Adult Public Assistance (APA) for better tracking of overpayments by Claims Unit. Enhancement to the current EIS claims program. Expected benefits will be increased recovery of Erroneous Payments.

## PROJECT DESCRIPTION AND JUSTIFICATION CONTINUED

EIS supports the ongoing maintenance of a workers caseload through a system of "ALERTS" or messages notifying the worker of events that may affect a case's eligibility. The Alert System creates hundreds of messages to workers. An improved Alert system would sort and prioritized messages reducing the significant housekeeping required by workers.

Improving the availability of on-line Help information about program policy and procedures, system functions, and direct access to code values, will help workers more efficiently complete data entry while following appropriate policy.

Zip code + four, will help to avoid increases in postal rates by keeping us at the lowest rate based upon printing and pre-sorting mailing with the full zip code. Zip +4 will also ensure our mail will even be processed by the U.S. Postal Service.

The automated records storage retention for EIS has work requests dating back to 1984. Task is labor intensive which could be significantly reduced if the process was properly supported by EIS. The entire process may be eliminated if the agency later adopts Electronic Imaging Management.

Mass change job needed for upcoming Health Care and Welfare reform, up-to-date mass change processor would be a time saver. Case processing can take anywhere from five minutes to one hour. Manual mass change efforts can affect routine processing and require overtime. System handled mass changes can reduce the need for overtime.

Staff frequently need to provide "what if" budget scenarios. Trial budget capability is needed. Policy, Quality Control, Alaska Work Programs (AWP), and Eligibility Technicians need the capability to complete test budgets. This will be new development and will increase productivity and improve client service.

EIS was not anticipated to function past 1999. On that assumption certain design attributes such as the "century" were hard coded and will cease to function when the first program looks for a date after 1999. Based upon the current time-line for a new system, and because some EIS programs can look as far as two years into the future, these enhancements must be completed before December 1, 1997.

Simplifying the pend process for incomplete applications. Agency tracking and reporting needs require incomplete applications be flagged with a "pend" status. Enhancement. Increased productivity.

### EXAMPLES OF ESSENTIAL EIS ON-LINE ADDITIONS

Include all federal reporting requirements and child care and supportive services payments in the Jobs Opportunities and Basic Skills (JOBS) Automated Subsystem. The magnitude of this project and the urgent need for the development necessitates support by hiring contracted professional services for this project.

Add on-line Report of Contact (ROC) to EIS. New development addition. This is a productivity and accuracy enhancement and a prerequisite for reducing the need for paper case records.

## PROJECT DESCRIPTION AND JUSTIFICATION CONTINUED

Add collection of absent parent data (for Child Support Enforcement Division) on pregnant women who are receiving only medicaid. This is a federal requirement and the data is needed by the Division of Medical Assistance's Medicaid Management Information System (MMIS). Other agency requirement.

Add eligibility for transitional child care. Increased productivity and Federal compliance.

Add Automated Screening and Tracking of Expedited Food Stamps. This is a screening function that is performed manually by clerical staff. The Division needs a more accurate accounting of clients who are entitled to expedited processing of their application. Increased productivity, and benefit and report accuracy.

### EXAMPLES OF SUPPORTING AUTOMATION PROJECTS

Complete a productivity and workflow study of the Intake and Mandatory Monthly Report (MMR) process. The study was recommended as a prerequisite to implementing any technology such as Imaging software, by the DOA Division of Information Systems (DIS), Imaging contractor. The Division is busy assessing business processes for streamlining workflow and reducing paper. A once federal mandate to use Mandatory Monthly Report (MMR) forms was implemented in 1982. EIS just supports the MMR process. Alternatives to the MMR or processing the MMR will be reviewed.

Electronic Forms- This project is the development of electronic forms using the State's mainframe E-mail package SYSM. Electronic forms has the potential of reducing the number of internal forms completed and stored in paper files. The feasibility of using electronic forms and using SYSM as the vehicle for eliminating forms will be part of the productivity and workflow study.

Integrated Voice Response (IVR)- IVR has the potential to reduce client telephone traffic by 15-30 percent and increase client services. IVR responds to typical telephone inquiries received during the first ten days of the month. IVR permits clients to obtain information about their benefits such as status, amount, and mailing date. IVR can provide clients with better service while freeing staff to complete other important assignments during a hectic period of the month.

The EIS reports system was designed in 1982. It has not been updated to meet information and retrieval needs of the of management staff. This project requires substantial effort, particularly the technical platform to be used for access to EIS information. The Division desires a professional services contract to complete this project with staff assistance and support.

WALTER J. HICKEL, GOVERNOR

**DEPARTMENT OF HEALTH AND  
SOCIAL SERVICES**

**DIVISION OF FAMILY AND YOUTH SERVICES**

P.O. BOX 110630  
JUNEAU, ALASKA 99811-0630  
PHONE: (907) 465-3170

**M E M O R A N D U M**

**DATE:** December 10, 1993

**TO:** Janet Clarke  
Director  
Division of Administrative Services

**FROM:** Deborah Wing  
Director  
Division of Family & Youth Services

**SUBJECT:** FY 95 Capital Budget Modification

Due to additional information that DFYS has recently be able to obtain, through ongoing research and attendance at a national conference, the attached Capital Improvement Project has been modified. The modification is required primarily due to two factors. The Division learned that the penalty for failure to comply with the new federal regulations was much less than originally thought, and the realization that a project of this scope will require two years to fully implement. Additional cost associated with the second year have been included in the project. Based on the additional information gained, the Division feel this will present a more accurate and realistic depiction of the true scope of the project.

PROJECT TITLE: MIS UPGRADE/NETWORK EXPANSION

LOCATION: STATEWIDE COMPLETION DATE: JUNE, 1996 ELECTION DISTRICT:

PROGRAM: TYPE:

FUNDING	CAPITAL REQUEST	OPERATING COSTS	NEW POSITION (PFT)
1002  FEDERAL RECEIPTS	2,883.7 1,200.0		
1003  GENERAL FUND MATCH			
1004  GENERAL FUND	261.3 400.0		0
1006  M.H. TRUST			
1007  INTER-AGENCY RECEIPTS			
TOTALS:	\$3,845.0 1,600.0	\$0.0	

**PROJECT DESCRIPTION AND JUSTIFICATION:** The U.S. Department of Health and Human Services, Administration for Children and Families, released the new mandatory quarterly data reporting requirements for foster care and adoption and methods for data transmission. It will include data elements regarding the foster and adoptive parents as well as children. The data requirements are extensive and a major modification to the existing DFYS system is necessary to meet the new requirements. This new legislation provides for 75% reimbursement to states for system development and 50% for maintenance costs. It also imposes a penalty on states that fail to comply. In Alaska's case that penalty would currently amount to \$60,000 a year. In order to comply with these requirements DFYS must upgrade its PC-based case management/workload accounting system to capture the required client-related information. In addition, the Provider Payment system must be modified to capture additional data pertaining to foster parents. Since one of the requirements is that data be entered into the system in a timely and consistent manner, it is mandatory that all workers have access to PCs in order to facilitate the data entry. This will require the purchase of approximately 125 additional or replacement PCs, two additional LANs peripheral equipment and software, software and hardware upgrades and expansion of the DISS WAN to two additional DFYS sites. This project will help the Division meet its overall goal, as defined in the Department's Information Management Plan. This goal is to provide the required equipment for approximately 400 DFYS workers who will receive tangible benefits from the utilization of microcomputers. It will also fund an upgrade to the Case Management/Workload Accounting System to provide for a client record archival and retrieval feature, the upgrading of the workload accounting process and reporting, and a menu driven batch reporting capability will be added. These upgrades represent substantial enhancements to the system.

CAPITAL PROJECTS  
CP1 DESCRIPTION

AGENCY HEALTH & SOCIAL SERVICES  
PROJECT

FY 95

Page of  
Revised Date:



## STATE OF ALASKA Information Systems Project Planning & Review

### PART I - GENERAL INFORMATION

Capital Improvement Project      Other: \_\_\_\_\_

Department: Health & Social Services (DHSS)      Division: Family & Youth Services (DFYS)

Section: \_\_\_\_\_      Region: \_\_\_\_\_

Project Manager: Steve Rice      Phone: 465-2882 Fax: 465-3190

Project Title: MIS Upgrade / Network Expansion

Project Summary: The U.S. Department of Health and Human Services, Administration for Children and Families, released the new mandatory quarterly data reporting requirements for foster care and adoption and methods for data transmission. AFCARS (Adoption and Foster Care Analysis Reporting System) will include data elements regarding the foster and adoptive parents as well as children. The data requirements are extensive and major reconfiguration of DFYS existing system is necessary to meet the new requirements. It is very important to note that this new legislation also provides for 75% reimbursement to states for system development and 50% for ongoing maintenance costs. Failure to comply will carry financial penalties of up to 20% of state's IV-B administrative claim for an indeterminate period. In Alaska's case, that would currently translate into approximately \$60,000 per year.

In order to comply with these requirements DFYS must upgrade its PC-based case management/workload accounting system to capture the required client-related information. In addition, the Provider Payment system must be modified to capture additional data pertaining to foster parents. Since one of the requirements is that data be entered into the system in a timely and consistent manner, it is mandatory that all workers have access to a PC in order to facilitate the data entry. This will require the purchase of approximately 125 additional or replacement PCs, two additional LANs, peripheral equipment and software, software and hardware upgrades and expansion of the DHSS WAN to two additional DFYS sites.

This project will help the Division meet its overall goal, as defined in the Department's Information Management Plan. This goal is to provide the required equipment for approximately 400 DFYS workers who will receive tangible benefits from the utilization of microcomputers. It will also fund an upgrade to the Case Management/Workload Accounting System to provide

for a client record archival and retrieval feature, the upgrading of the workload accounting process and reporting, and a menu driven batch reporting capability will be added. These upgrades represent substantial enhancements to the system in the form of decreased data storage requirements, improved processing speed of the database, enhanced workload reporting capability, and increased ease of use for DFYS employees, while at the same time, allowing the state to utilize three Federal dollars for every State dollar spend.

Project Duration: (start) Sept. 1994 (end) Sept. 1996 Acronym: N/A

Project Characteristics: (check all that apply, include others as needed)

- |   |  |                                       |
|---|--|---------------------------------------|
| <input checked="" type="checkbox"/> New Project             | <input type="checkbox"/> Enhancement                               | <input type="checkbox"/> Continuation |
| <input type="checkbox"/> Electronic Imaging                 | <input type="checkbox"/> Geographic Information System             |                                       |
| <input type="checkbox"/> Kiosk Technology                   | <input type="checkbox"/> Emergency Communications                  |                                       |
| <input type="checkbox"/> SNA Communications                 | <input type="checkbox"/> Voice Communications/ Telephone           |                                       |
| <input checked="" type="checkbox"/> Wide Area Network       | <input type="checkbox"/> Voice Communications/ 2-way Radio, Pagers |                                       |
| <input checked="" type="checkbox"/> Agency Specific Project | <input type="checkbox"/> Video Communications                      |                                       |
| <input type="checkbox"/> Interagency Data Access            | <input checked="" type="checkbox"/> Office Automation (General)    |                                       |
| <input type="checkbox"/> Legal Mandate                      | <input checked="" type="checkbox"/> Electronic Mail                |                                       |
| <input type="checkbox"/> Electronic Bulletin Board          | <input checked="" type="checkbox"/> Relational Database Project    |                                       |
| <input type="checkbox"/> Public Access to Data              | _____  |                                       |

Describe Computing Platform: (i.e. personal computer, LAN, CPU manufacturer/model, operating system, memory and disk capacity, number of workstations, etc.)

The current DFYS resource includes approximately 300 PCs of various IBM 286, 386, and 486 models operating on DOS 5.0; and seven (7) LANs operating on Novell Netware 3.11.

**PART II - PROCUREMENT/BUDGET INFORMATION**

**A. If agencies know procurement information such as vendor or brand specific requirements, whether a Request for Alternate Procurement is needed, etc., this information should be noted. Any associated procurement and/or budget documents should be attached. Describe procurement method:**

Standard state procurement processes for the purchase of hardware and software. Since the case management/workload accounting system is a proprietary database, only the original contractor can provide the necessary changes. Therefore, it will be necessary for the Division to enter into a sole source contract for the required changes. A Request for Alternate Procurement will be necessary.

**B. Budget Summary:**

Total Project Amount: \$3,845,000 Amount Being Requested: \$3,845,000

If this is a capital project, attach copies of CP1 and CP2 forms and provide detail on the following chart. The chart should also be used to provide details for multi-year projects; use additional pages for projects over two years in duration. The chart is intended to assist agencies to summarize prior project appropriations and/or actual expenditures for multi-year projects.

**C. Planned / Actual Comparisons:** Current Project Year # 1 of 2

	FY 95 Planned / Actual	FY 96 Planned / Actual	TOTALS Planned / Actual
Personnel	\$320,000/	\$360,000/	\$680,000/
Travel	\$40,000/	\$60,000/	\$100,000/
Contractual	\$900,000/	\$400,000/	\$1,300,000/
Supplies	\$15,000/	\$20,000/	\$35,000/
Equipment:			
hardware	\$800,000/	\$400,000/	\$1,200,000/
software	\$200,000/	\$175,000/	\$375,000/
installation	\$20,000/	\$15,000/	\$35,000/
maintenance	\$80,000/	\$40,000/	\$120,000/
<b>TOTALS</b>	<b>\$2,375,000/</b>	<b>\$1,470,000/</b>	<b>\$3,845,000/</b>

## PART III - NARRATIVE

A. Purpose of Project

1. **The program activity the proposed information systems project is intended to support and the relationship between the program activity and the project.**

This project supports child protection, non-medical care facility licensing or certification and juvenile probation programs by providing workers with technology and access to information needed for timely and efficient job performance.

2. **The needs assessment on which the project proposal is based.**

Providing workers with adequate access to PCs has been recommended in numerous external and internal audits and reviews of agency functioning. Most recently, correction of DFYS equipment deficiencies were recommended in the Governor's Efficiency Report and an internal Paperwork Reductions Report.

Failure to provide the necessary enhancements to the DFYS information systems will ultimately require that the Division requests funding for the project from General Fund dollars, while at the same time is penalized for failing to participate in the Federal program. The penalty would be based on withholding a percentage of federal funding. At this time the funding withheld would be approximately \$60,000 a year.

3. **The relationship of the project to the department's information systems plan.**

One of DFYS' primary goals is the overall computerization of the Division - providing PCs to every worker who could benefit from the technology. Another goal is to ensure that the information system is modified and upgraded to meet changing requirements of federal mandate, state law, and/or Divisional policy. This project addresses both of these goals as specified in the DHSS Information Management Plan, FY93-FY97. These projects will provide the desired hardware support and information system modifications.

B. Benefits and Alternatives

1. **How will the project benefit the state? Describe how the project will result in discernable gains in the productivity of state employees, or real financial savings to the state.**

DFYS workers must maintain extensive and detailed documentation related to the clients served by the agency. Many workers are forced to perform these cumbersome, often repetitious, tasks manually. Currently, this time consuming ordeal can consume up to 50% of a worker's time. Providing workers with microcomputers can improve productivity by both reducing the time recording information and by generating required documents. Microcomputers have been

proven to bring productivity improvements to workers with estimates ranging from fifteen to forty percent. Approval of this project will allow the Division to take a large step in achieving it's overall information system plan, while at the same time utilizing federal funds to pay for 75% of the implementation and 50% of it's ongoing maintenance.

**2. What other alternatives were considered for accomplishing this request, how they were evaluated and why they were rejected?**

Several years ago the Division recognized the efficiencies of micro-computers and committed to the utilization of this technology. Alternatives, such as a variety of mainframe systems, were evaluated at that time and found to be far more costly and not as effective. At this time the agency remains committed to this goal.

**3. Provide a detailed cost/benefit analysis as an attachment that describes the costs and the assumptions used for both tangible and intangible benefits. Summarize the detailed analysis in a chart similar to the following example.**

	<u>Project</u>	<u>Alternative 1</u>	<u>Alternative 2</u>
Cost of Project:	\$3,845,000	n/a	n/a
Annual Operational Costs:	155,000	n/a	n/a
<b>Tangible Benefits</b>			
Cost Avoidance (annual)	2,883,750	n/a	n/a
Cost Savings (annual)	600,000	n/a	n/a

**Intangible Benefits:** With access to microcomputer technology comes access to information which will be used by workers to make better casework decisions.

**C. Project Impacts and Implications--provide information identifying the project relationships and impacts.**

**1. Consequences of Non Approval--describe the impact on the agency's program (and on any other agency's programs) if this request is not approved.**

On a daily basis, DFYS workers make hundreds of client related decisions, some with possible life or death outcomes. Failure to approve this project will impair the ability of workers to make those decisions by denying timely current and future access to critical information.

In addition, failing to fund this project will result in a loss of an opportunity to utilize Federal funds approaching \$3,000,000.00 to fund a major portion of the project.



Capital  
Amendments  
Gov.

Please delete the following proposed municipal capital matching grant projects. The fund source for these projects is the Municipal Capital Project Matching Grant Fund.

<u>Page/Line</u>	<u>Title</u>	<u>Amount</u>
22/7	Sitka Halibut Point Road Water Main Upgrade	291,267
25/12	Fairbanks North Star Borough Noel Wien Library Building Addition	58,162

Please correct the following fund source imbalance. The fund source for the project is the Municipal Capital Project Matching Grant Fund.

<u>Page/Line</u>	<u>Title</u>	<u>Amount</u>
23/16	Skagway Municipal Street and Sidewalk Construction	28,477 [28,477]

4-5-94  
updated  
by Traci Promer  
should be  
28,447

April 5, 1994

Jo -

Received the attached Governor's amendments for the capital budget from Traci Cramer of OMB. Traci returned about a quarter after five with an updated page 4 listing 28,447 rather than 28,477 for municipal street and sidewalk construction in Skagway. I assume Traci also delivered the original amendments and the correction to Senator Pearce and Senator Frank. Have copied the amendments, as corrected, and am holding the copies for your direction. Would you like them in members' files tomorrow? Laying **on top of the files?** **Clipped** to members' note books? Just let me or Marie know.

Kathy  
2618

*Jo's that work?*

*Jo 4/5/94*  
*done*  
*PM*

JB363

WALTER J. HICKEL, GOVERNOR

**OFFICE OF THE GOVERNOR**

OFFICE OF MANAGEMENT AND BUDGET

P.O. BOX 110020  
JUNEAU, AK 99811-0020  
PHONE: (907) 465-3568  
FAX: (907) 465-3640

April 5, 1994

The Honorable Steve Frank  
The Honorable Drue Pearce  
Co-Chairs, Senate Finance Committee  
Alaska State Legislature  
State Capitol  
Juneau, Alaska 99801 - 1182

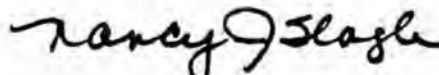
Dear Co-Chairs:

On behalf of the Governor, I would appreciate the committee's consideration in amending the Fiscal Year 1995 proposed capital budget.

The requested amendments are a result of continuing involvement and participation of municipalities and communities in the Capital Matching Grant Program. The amendments include changes to existing language or funding amounts, the addition of new projects, and the deletion of existing projects.

To assist the committee, attached is a summary of the proposed changes. Should you need additional information, please let me know.

Sincerely,



Nancy J. Slagle  
Director

Attachments

Based on the addition of Naukai Bay to the communities which qualify for the unincorporated community capital project matching grant program, please amend the following front sections:

\* Sec. 2. The sum of \$18,300,000 [18,325,000] is appropriated from the general fund to the municipal capital project matching grant fund (AS 37.06.010(b)) in the Department of Administration to provide grants to municipalities under the municipal capital project matching grant program.

\* Sec. 3. The sum of \$1,700,000 [1,675,000] is appropriated from the general fund to the unincorporated community capital matching grant fund (AS 37.06.020(b)) in the Department of Community and Regional Affairs to provide grants to unincorporated communities under the unincorporated community capital project matching grant program.

Please amend the following municipal capital matching grants. The fund source for these projects is the Municipal Capital Project Matching Grant Fund.

<u>Page/Line</u>	<u>Title</u>	<u>Amount</u>	
25/18	Cordova Watermain Extension to 6.5 Mile Feasibility Study and Preliminary Engineering	<u>105,594</u>	[85,000]
28/5	Teller <u>Cable Television Project</u> [Heavy Equipment Maintenance/Repairs]	25,000	
29/15	Dillingham Cold Storage/ Processing Addition	<u>80,143</u>	[79,111]
30/16	Ekwok <u>Generator Building Relocation and Purchase of Generator</u> [Dump Relocation/ Construction]	25,000	
30/20	New Stuyahok Public Safety Building Renovation	25,000	[23,750]

31/17	Fairbanks North Star Borough Solid Waste Landfill Property Acquisition/Preliminary Design	<u>541,162</u>	[1,050,000]
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Please amend the following unincorporated community capital matching grants. The fund source for these projects is the Unincorporated Community Capital Matching Grant Fund.

<u>Page/Line</u>	<u>Title</u>	<u>Amount</u>	
33/13	Deltana Processing Plant Construction	26,250	[25,000]
33/20	Eagle Village Safe Water and Sewer Project	26,250	[25,000]
34/13	Silver Springs Subdivision Road Improvements	27,401	[25,000]

Please add the following new projects to the municipal capital project matching grant section. The fund source for these projects is the Municipal Capital Project Matching Grant Fund.

<u>Title</u>	<u>Amount</u>
Denali Borough Panguingue Creek Road Construction	39,466
Denali Borough Healy Coal Kings Hockey Association Warm-Up Shack	14,420
Fairbanks North Star Borough Badger Elementary School Septic System/Lift Station Repairs	140,000
Fairbanks North Star Borough Ryan Middle School Replacement	280,000
Fairbanks North Star Borough Woodriver Elementary Roof Repair	70,000

Fairbanks North Star Borough Fire/Life/Safety Improvements	77,000
Fort Yukon Solid Waste Management Improvements	29,626
Nikolai Heavy Equipment Purchase	25,000
Noorvik New Health Clinic	25,000
Savoonga Heavy Equipment Upgrade	25,000
Sitka Centennial Building Roof	189,000
Sitka Airport Terminal Arctic Entries	70,000
Sitka Senior Center Improvements	32,267
Whittier Fire Hall Renovation	25,000

Please add the following new projects to the unincorporated community capital matching grant section. The fund source for these projects is the Unincorporated Community Capital Matching Grant Fund.

<u>Title</u>	<u>Amount</u>
Crooked Creek Clinic Improvements	15,000
Crooked Creek Preschool Facility	15,000
Four Mile Road Tanana River Road Stabilization	25,000

Please delete the following proposed municipal capital matching grant projects. The fund source for these projects is the Municipal Capital Project Matching Grant Fund.

<u>Page/Line</u>	<u>Title</u>	<u>Amount</u>
22/7	Sitka Halibut Point Road Water Main Upgrade	291,267
25/12	Fairbanks North Star Borough Noel Wien Library Building Addition	58,162

Please correct the following fund source imbalance. The fund source for the project is the Municipal Capital Project Matching Grant Fund.

<u>Page/Line</u>	<u>Title</u>	<u>Amount</u>
23/16	Skagway Municipal Street and Sidewalk Construction	28,447 [28,477]

**FORM A**  
**MUNICIPAL CAPITAL PROJECT MATCHING GRANT PROGRAM**  
**FY 95 LIST OF PROPOSED PROJECTS**

**MUNICIPALITY:** CITY OF TELLER

**ADDRESS:** P.O. BOX 548; TELLER, AK 99778

**FAX:** 642-2051

**GRANT ADMINISTRATOR:** MORRIS T. KUGZRUK

**TELEPHONE:** 642-3401

**PAGE** 1 **OF** 5

PRIORITY NUMBER	PROJECT	STATE SHARE	LOCAL SHARE	PROJECT TOTAL	HOURS DISTRI
1	CABLE TV PROJECT	\$25,000.00	1,316.00 \$ 1,250.00	\$26,250.00	37
2					
3					
4					
5					
6					
7					
8					
9					
10					
<b>COLUMN TOTALS</b>		<b>\$25,000.00</b>	<b>\$ 1,250.00</b>	<b>\$26,250.00</b>	<b>37</b>

**MB RECOMMENDATION** \_\_\_\_\_

**DATE FILES TRANSFERRED TO IDA:** \_\_\_\_\_

# CITY OF TELLER

P.O. Box 548  
Teller, AK 99778  
Telephone (907) 642-3401

## FORM B MUNICIPAL CAPITAL PROJECT MATCHING GRANT PROGRAM FY 95 PROPOSED PROJECT

### 1. PROJECT NAME

CABLE TV PROJECT

### 2. PROJECT DESCRIPTION

- Purpose:
- 1) Expand the Cable Television System to service 19 new HUD Housing Units
  - 2) Bring to Code, Cable Lines, to meet minimum height requirements on a road crossing
  - 3) Cost of moving cable lines to new poles
  - 4) Contract Work to work on above and to put in an additional channel package
  - 5) Pay for local wages to assist Contractor and any other related Cable TV related expenses
  - 6) Address Economic Development by enabling the Cable System to become profitable as those 19 new units are needed to have the system pay for itself

Stages: Work is in two stages. The work on service to 19 new housing units and all other items numbered above except for item number 3) above, which may be another stage as this will be dependent on new poles available

Duration: Work should require only one summer as long as all material are available

Financing: The major part of the funding will come from the State Matching Grant funds and the local share shall be applied to the project. No financing is needed other than to work with

*service / sales tax & cash on hand*

**Page two of Form B; Municipal Capital Matching Grant Program,**

**Financing:** the State of Alaska, Department of Administration on obtaining funds as needed for the project.

**Timeframe:** The project will get started sometime after the matching grant funds are approved by the State. Contractor shall be notified of grant funding approval as soon as possible. The City will coordinate the project so that the work can be done with minimum interruption, or delay of the project.

**PROPOSED BUDGET FOR THE CABLE TV PROJECT****1. New Housing Site Expansion**

Contract will include all materials, freight, labor for installation, transportation to Teller for one person from Anchorage, Ak

**\$6,300****2. Heavy Equipment Rental, Lodging for one person, Local Transportation costs, Wages for 1 Assistant****\$2,925****3. Road Crossing; Bring Cables Lines to Code/or Minimum Height****\$4,800****4. Moving Cable Lines to New Poles****\$6,785****5. Local Channel Package****\$3,200****6. Pole Rental (1/2 Cost)****\$2,240****Total:****\$26,250**

**FORM A  
MUNICIPAL CAPITAL PROJECT MATCHING GRANT PROGRAM  
FY 95 LIST OF PROPOSED PROJECTS**

MUNICIPALITY: City of Ekwok  
 ADDRESS: P.O. Box 49 Ekwok, AK 99580 FAX: (907)464-3328  
 GRANT ADMINISTRATOR: CAROL A. HECKOFF TELEPHONE: (907)464-3311 PAGE 1 OF 1

PRIORITY NUMBER	PROJECT	STATE SHARE	LOCAL SHARE	PROJECT TOTAL	HOUSE DISTRICT
3 <sup>x</sup>	Relocation + construction of dump for residents to put their garbage	43,700.00	2,300.00	46,000	40
1 <sup>x</sup>	Relocation of generator building + purchase of a <sup>15</sup> 75 KW generator.	52,250.00	2,750.00	55,000	40
2 <sup>x</sup>	Airport lights for the airport.	285,000	15,000.00	300,000	40
4	Fire house for fire truck + office	142,500	7,500	150,000.00	40
5	VPSO Patrol Car	28,500	1,500	30,000.00	40
6					
7					
8					
9					
10					
COLUMN TOTALS		551,950.00	29,050.00	581,000.00	

9074653840: # 2

: 3-24-94 : 4:41PM : Denali Borough

SENT BY: DENALI BOROUGH

**FORM A  
MUNICIPAL CAPITAL PROJECT MATCHING GRANT PROGRAM  
FY 95 LIST OF PROPOSED PROJECTS**

**MUNICIPALITY:** DENALI BOROUGH  
**ADDRESS:** P.O. Box 480 Healy, AK 99743 Usibelli Spur Road, Tri-Valley Community Center **FAX:** (907)683-1340  
**GRANT ADMINISTRATOR:** Mayor John C. Gonzales **TELEPHONE:** (907)683-1330 **PAGE** 1 **OF** 1

PRIORITY NUMBER	PROJECT	STATE SHARE	LOCAL SHARE	PROJECT TOTAL	HOUSE DISTRICT
1	Panguingue Creek Road Construction, Project Completion	\$ 39,466	\$ 6,965	\$ 46,431	34
2	Healy Coal Kings Hockey Association, Warm-Up Shack Construction	\$ 14,420	\$ 2,544	\$ 16,964	34
3					
4					
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8					
9					
10					
<b>COLUMN TOTALS</b>		<b>\$ 53,886</b>	<b>\$ 9,509</b>	<b>\$ 63,395</b>	

DATE RECOMMENDATION \_\_\_\_\_ DATE FILES TRANSFERRED TO DOA: \_\_\_\_\_

**FORM A - Revised March 28, 1994**  
**MUNICIPAL CAPITAL PROJECT MATCHING GRANT PROGRAM**  
**FY 95 LIST OF PROPOSED PROJECTS**

**MUNICIPALITY:** Fairbanks North Star Borough  
**ADDRESS:** 809 Pioneer Road, P.O. Box 71267, Fairbanks, AK, 99707-1267 **FAX:** (907) 459-1379  
**GRANT ADMINISTRATOR:** Renee Van Nort **TELEPHONE:** (907) 459-1375 **Page** 1 **of** 1

PRIORITY NUMBER	PROJECT	STATE SHARE	LOCAL SHARE	PROJECT TOTAL	DISTRICT
1	Badger Elementary School Septic System/Lift Station Repairs	140,000	60,000	200,000	32-P
2	Ryan Middle School Roof Replacement Phase II	280,000	120,000	400,000	29-0
3	Woodriver Elementary Roof Repair Phase II	70,000	30,000	100,000	29-0
4	Borough-Wide Fire/Life/Safety	77,000	33,000	110,000	Borough Wide
5	Emergency Medical Services Purchase Ambulances	140,000	60,000	200,000	Borough Wide
6	Solid Waste Landfill Property Acquisition/Preliminary Design	541,162	231,926	773,088	Borough Wide
<b>COLUMN TOTALS</b>		<b>1,248,162</b>	<b>534,926</b>	<b>1,783,088</b>	

**OMB RECOMMENDATION:** \_\_\_\_\_ **DATE FILES TRANSFERRED TO DOA:** \_\_\_\_\_

		SHARE	SHARE	TOTAL	DISTRICT
1	Solid Waste Management	29,626 <del>45,000</del>	1,557 5,000	31,185 50,000	36
2	Roads Improvement	180,000	20,000	200,000	36
3	Water & Sewer Installation	90,000	10,000	100,000	36
4					
5					
6					
7					
8					
9					
10					
<b>COLUMN TOTALS</b>					

OMB RECOMMENDATION: \_\_\_\_\_

DATE FILES TRANSFERRED TO DOA: \_\_\_\_\_

**FORM A**  
**MUNICIPAL CAPITAL PROJECT MATCHING GRANT PROGRAM**  
**FY 95 LIST OF PROPOSED PROJECTS**

**MUNICIPALITY:** City of Nikolai  
**ADDRESS:** P.O.Box 910025, Nikolai, Alaska 99691-0025 **FAX:** 293-2428  
**GRANT ADMINISTRATOR:** Roger Jenkins, City Administrator **TELEPHONE:** 293-2113 **PAGE** 1 **OF**     

PRIORITY NUMBER	PROJECT	STATE SHARE	LOCAL SHARE	PROJECT TOTAL	HOUSE DISTRICT
1	Purchase John Deere 550G Wide Track Crawler Tractor with 10 Foot Six way Blade	FY94 \$25,000 FY95 \$25,000	FY94 \$ 1,316 FY95 \$36,257	\$87,573.00	36
2					
3					
4					
5					
6					
7					
8					
9					
10					
<b>COLUMN TOTALS</b>					

OMB RECOMMENDATION: \_\_\_\_\_ DATE FILES TRANSFERRED TO DOA: \_\_\_\_\_

# FORM B

## PROJECT DESCRIPTION

(Copy For Each Project)

For each capital project listed on "Form A" from this packet, please provide in writing the information indicated on the form below. You may use the form, or attach separate pages. The information must be clearly labelled as shown below:

1. **PROJECT NAME** Purchase John Deere 550G Wide Track Crawler Tractor with Ten Foot Six Way Blade.

*Provide the name of the project, as it appears on "Form A". (Please be sure to provide a name for each project which indicates specifically what the project is. For example, do not simply list a project as "road improvements". Instead, list it as "road resurfacing for miles 1-10 of Sawmill Creek Road", or whatever is appropriate. When in doubt, please be more specific rather than less specific. Following this approach will greatly expedite review and approval of the project.)*

2. **PROJECT DESCRIPTION** Purchase a New 550G John Deere delivered in Nikolai at a cost of \$87,573.00 To be paid for with a combination

*Describe the essential characteristics of the project, including its purposes, stages, estimated duration, financing, and estimated time required for completion.*

of Capital Matching Funds (\$25,000 FY94), (@\$25,000 FY95) and \$38,000 of Municipality of Nikolai General Fund monies.

3. **LOCAL SHARE** The City of Nikolai has been fortunate in the past year to be renting our existing Equipment Spread to Interior Regional

*Identify and explain the sources for the required local share (e.g., local cash, funding from other non-state sources, in-kind contributions allowable under AS 37.06, etc.).*

Housing Authority who is constructing Ten HUD Homes in our community. Additionally, The Public Health Service is going to be constructing nearly a mile of gravity and pressure sanitary sewer to serve the

**NOTE:** Please be as specific and informative as possible. Complete proposals will result in timely approval. If important details are omitted, follow-up requests for information will delay approval.

new development, and connect it to our existing sewer treatment lagoon. All excess income will be committed to our share.

If you have questions either about what information to include, or how much information to include, please call Jack Fagnoli at OMB in Juneau at 465-3568 for assistance.

**City of Nikolai**  
**P.O. Box 25**  
**Nikolai, Alaska 99691**

3/1/94

Council Memorandum C.M. 93-41(C)

Purchase of John Deere 550G Wide Track Tractor with 10 Foot Blade

1. The bid price and specification sheets for a John Deere 550G Wide Track Dozer with a 10 Foot Blade is attached. The price is \$87,573.00 delivered in Nikolai on the fuel barge. I feel that it is very prudent to buy a larger 550 rather than a 450 because we will get much more machine for the additional money. Craig Taylor Equipment requires a deposit of \$10,000.00 and the remainder to be paid upon delivery. The machines are built in Dubuque, Iowa where many Alaskans play Junior Hockey before going on to the College level. The intention is to utilize our FY 94 Capital Matching Grant of \$25,000.00, earmark our FY 95 Capital Matching Grant Appropriation if any, and fill in the remainder out of the proceeds of the Interior Regional Housing Authority and Public Health Service Projects Equipment Rental. We would borrow the money from the National Bank of Alaska and hopefully nearly pay it off before we need to draw on it. The Loan method would considerably ease the States Audit Trail requirements. The City presently is up to date on our bills but we will need to borrow to refill our fuel and gasoline tanks this summer. Two different financing options are outlined in paragraph #2 below

2. The Calculations are as follows:

Financing Source:	Option #1	Option #2
FY 94 Capital Matching Grant	\$ 25,000.00	\$ 25,000.00
IRHA Jan-March Equipment Rental	\$ 15,000.00	\$ 15,000.00
FY 95 Capital Matching Grant	\$ 25,000.00	\$ 10,000.00
PHS April-July Equipment Rental	<u>\$ 23,000.00</u>	<u>\$ 38,000.00</u>
TOTAL	<u>\$ 88,000.00</u>	<u>\$ 88,000.00</u>

CITY OF NOORVIK  
P.O. BOX 146  
NOORVIK, ALASKA 99763  
(907) 636-2100/2211/FAX 636-2135

**FORM "B"**

**FY95 CAPITAL PROJECT MATCHING GRANT PROGRAM  
PROJECT DESCRIPTION**

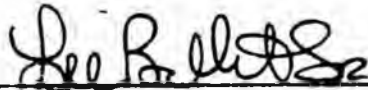
NOORVIK CLINIC

For FY95, the City of Noorvik is pursuing funds necessary to construct a brand new clinic for the community. The existing clinic does not provide adequate space to operate according to set environmental health guidelines. The clinic provides approximately 500 square feet of space servicing a population of 610 people. Environmental guidelines suggest that a village with a population of over 450 offer at least 1,000 square feet of clinic space.

The City of Noorvik is proposing to construct a 40' X 50' clinic building and will include couple of offices, exam rooms, kitchen/lab area, living quarters, utility room, storage areas, bathrooms and a waiting area. The estimated cost of the building is between \$250,000.00 to 300,000.00 with funding coming from the State of Alaska, Dept. of Administration-FY93 and either from the State DCRA/RDA-REDI or CDBG/REDI grant funding requests.

LOCAL SHARE

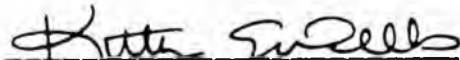
The City of Noorvik will provide the \$2,632.00 in the use of its equipment to provide foundation material (silt) as local share for this request.



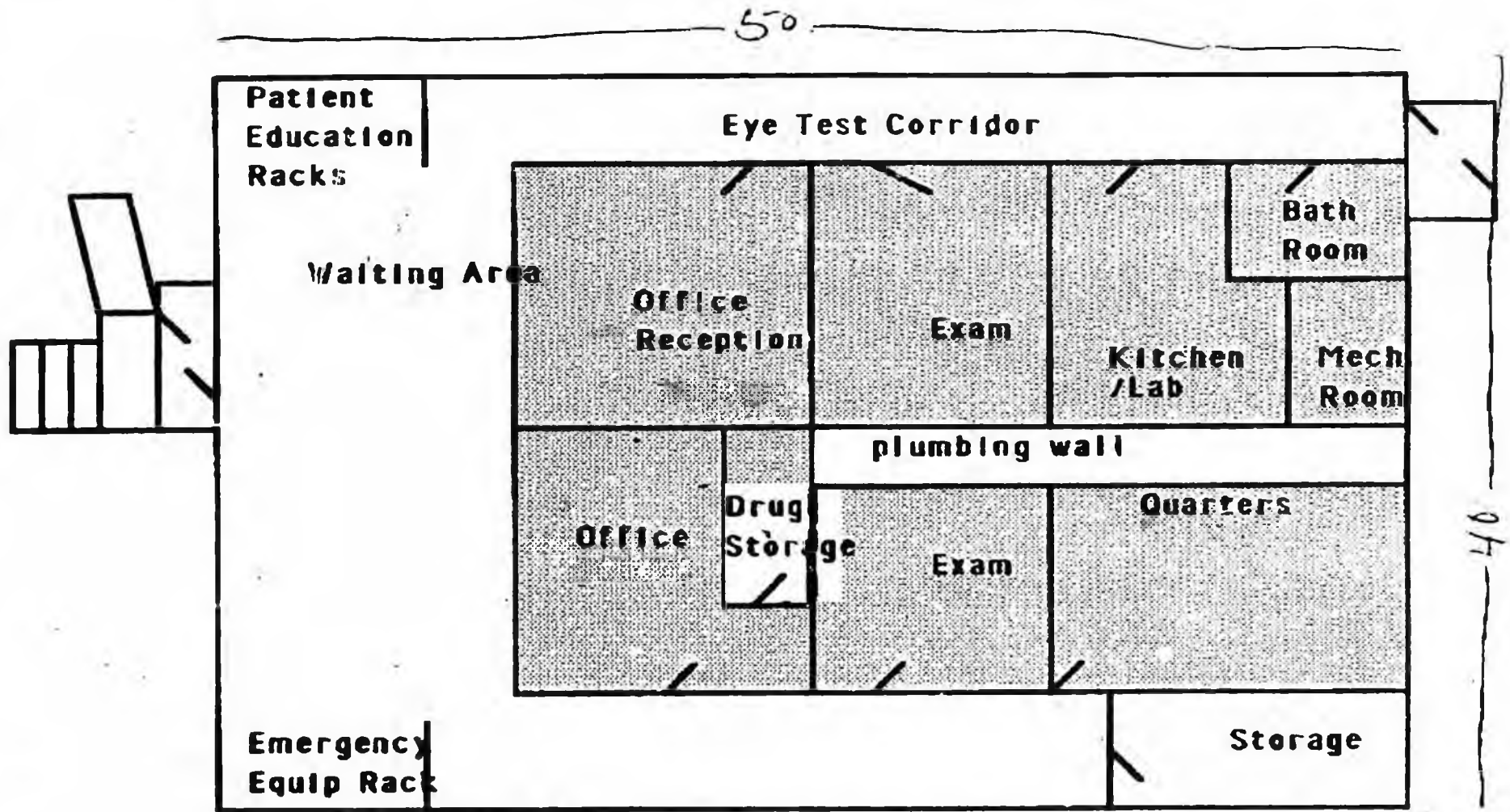
Lee Ballot Sr., Mayor

NOV. 12, 1993

Date



ATTEST: City Clerk



# Noorvik Clinic

P.1/4

FORM B  
MUNICIPAL CAPITAL PROJECT MATCHING GRANT PROGRAM  
FY 95 LIST OF PROPOSED PROJECTS

MUNICIPALITY: City of Savoonga  
ADDRESS: P.O. Box 40 Savoonga, Alaska 99769 FAX: 984-6411  
GRANT ADMINISTRATOR: Jerry Wongittilin, Sr. TELEPHONE: (907)984-6614 PAGE 2 OF 2

					LEGISLATIVE SIGNATURES	HOUSE DISTRICT
1	Heavy Equipment Upgrade Phase II	\$25,000.00	\$1,316.00	\$26,316.00	APB by LL APA by MB	
2						
3						
4						
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6						
7						
8						
9						
10						
COLUMN TOTALS						

MAR 24 '94 17:24 SEN AL ADAMS



# WALRUS CAPITAL OF THE WORLD SAVOONGA, ALASKA



CITY OF SAVOONGA  
P.O. BOX #40  
SAVOONGA, ALASKA 99769  
PHONE 984-6814

Municipal Matching Grant Program  
FY 95

**PROJECT FIRST PRIORITY: Purchase of John Deere Backhoe**

**Project Description:**

The City of Savoonga will need John Deere Backhoe this summer. The City of Savoonga has a grant for Sewer and Water FY 94-95 in the amount of \$7,048,850. The John Deere Backhoe (Heavy Equipment) will be used for the construction work on Sewer and Water project. It will bring in employment and revenues to the City of Savoonga.  
See attached proposal of Craig Taylor Equipment Co.



# City and Borough of Sitka

304 LAKE STREET . SITKA, ALASKA . 99835

March 30, 1994

Office of the Director, Office of Management and Budget  
Attn: Mr. Jack Fagnoli  
Office of the Governor  
State of Alaska  
P.O. Box 110020  
Juneau, Alaska 99811-0020

Subject: Fiscal Year 1995 Municipal Capital Project Matching Grant Program

Dear Mr. Fagnoli:

The City and Borough of Sitka wishes to request changes in its submission of projects under the Governor's Fiscal Year 1995 Municipal Capital Project Matching Grant Program. These changes are as follows:

- a. Move the Centennial Building Re-Roof Project, previously at Priority 3, to the Priority Number One Project. Change the Project Total to \$550,000, State Share to \$189,000, and local share to \$361,000. The remainder of the project will be funded through existing grants of \$280,000.
- b. Move the Airport Terminal Arctic Entries Project, previously at Priority 6, to the Priority Number Two Project.
- c. Move the Senior Center - Parking Lot / Storage Area & Ramp Project, previously at Priority 7, to the Priority Number Three Project.

An updated Form B documenting the changes in the Centennial Building Re-Roof Project is enclosed. If a new Resolution from the City and Borough of Sitka Assembly is required, please advise us. Our Assembly next meets on April 12, 1994.

The City and Borough of Sitka point of contact is the Finance Director, Mr. Jay Sweeney, who can be reached at 747-3953 extension 123.

Sincerely,



Gary L. Paxton  
Administrator

cc  
Senator Robin Taylor  
Representative Ben Grussendorf

**CITY AND BOROUGH OF SITKA  
SITKA, ALASKA 99835**

**Municipal Capital Grant Matching Grant Program  
FY95 Project Proposals**

**Form B**

**Project Name: Centennial Building Reroof**

**Project Description:**

The Centennial Building roof is inadequate and in need of immediate repair. Failure to replace the roof soon could result in additional damage to the remainder of the structure. The need for this project has increased with the APC mill closure and efforts to bring more conventions to Sitka, which will require these upgrades in order for Sitka's major public meeting facility to effectively compete with other communities. Current existing State of Alaska grants of \$280,000 are insufficient to finance the entire cost of the project, which is projected to be \$550,000. The City and Borough of Sitka proposes finance the remaining amount needed for the project, \$270,000, through the Governor's Fiscal Year 1995 Municipal Matching Grant Program with \$\$189,000 as the State Share and \$81,000 as the local share.

**Source Of Local Share: 90 % from local cash contribution from undesignated revenues and 10% from in-kind contributions of Engineering employee labor, vehicle usage, and materials.**

**FORM A**  
**MUNICIPAL CAPITAL PROJECT MATCHING GRANT PROGRAM**  
**FY 95 LIST OF PROPOSED PROJECTS**

P. 02

MUNICIPALITY: City of Whittier  
 ADDRESS: P.O. Box 608 Whittier AK 99593 FAX: 907-472-2404  
 GRANT ADMINISTRATOR: Gary Williams TELEPHONE: 907-472-2337 PAGE 1 OF 1

	PROJECT DESCRIPTION	PROJECT COST	STATE MATCH	TOTAL PROJECT COST	DISTRICT
1	Fire Hall Renovation	\$25,000.00	\$ 1,316.00	\$26,316.00	35
2					
3					
4					
5					
6					
7					
8					
9					
10					
<b>COLUMN TOTALS</b>		<b>\$25,000.00</b>	<b>\$ 1,316.00</b>	<b>\$26,316.00</b>	

OUR RECOMMENDATION: \_\_\_\_\_ DATE FILES TRANSFERRED TO DCA: \_\_\_\_\_

W/LZZORAKP

FAX NO. 9074722404

CITY OF WHITTIER

PAK-10-94 THU 10:50

## FORM B

### PROJECT DESCRIPTION

**1. PROJECT NAME:** City Firehall Renovation

**2. PROJECT DESCRIPTION:** Remove architectural barriers to handicapped persons; bring building electrical and mechanical up to safety standards as called for in the Uniform Building Code; abate asbestos; reconfigure office space.

**Steps to Completion:**

1. Asbestos abatement
2. Remove architectural barriers
3. Bring building to UBC
4. Reconfigure office space

**Estimated Duration:** 90 days to completion

**Financing:** City and federal funds; Community Development Block Grant Funds and City of Whittier matching funds.

**Local Share:** The City of Whittier has appropriated its share from its Capital Budget Fund. In addition to capital funds the city will force account the work and contribute labor and machine time toward the match.

95

FORM A  
MUNICIPAL CAPITAL PROJECT MATCHING GRANT PROGRAM  
FY 95 LIST OF PROPOSED PROJECTS

P. 05

MUNICIPALITY: CROOKED CREEK TRADITIONAL COUNCIL  
 ADDRESS: P.O. Box 69 CROOKED CREEK AK 99575 FAX: 432-2219  
 GRANT ADMINISTRATOR: Johnny John Jr TELEPHONE: 432-2200 PAGE      OF     

PRIORITY NUMBER	PROJECT	STATE SHARE	LOCAL SHARE	PROJECT TOTAL	HOUSE DISTRICT
1*	Clinic Improvements Phase II	10,000 <sup>00</sup>	500 <sup>00</sup>	10,500 <sup>00</sup>	
2	Setup And Furnish Preschool Facility	15,000 <sup>00</sup>	816 <sup>00</sup>	15,816 <sup>00</sup>	
3					
4	* increase #1 state				
5	share by \$5,000				
6	balance remaining				
7	in 8494 appropriation				
8					
9					
10					
COLUMN TOTALS					

9874322219

THOMAS TRADING POST 6

WORKING ORIENTATION \_\_\_\_\_ DATE FILES TRANSFERRED TO DOA \_\_\_\_\_

## CROOKED CREEK

## PRIORITY I FY 95

CLINIC IMPROVEMENTS PHASE II (SEE FY 94 PRIORITY III)

COMPLETE PURCHASE OF CLINIC FURNITURE, COMPLETE RAMP, COMPLETE  
CONVERSION OF SUBURBAN.

STATE SHARE	\$ 10,000.00
LOCAL SHARE	<u>\$ 500.00</u>
TOTAL \$	10,500.00

## PRIORITY II FY 95

SET UP AND FURNISH PRESCHOOL FACILITY, PURCHASE TABLES AND CHAIRS,  
EDUCATIONAL MATERIALS COMPLETE A BATHROOM FOR PRESCHOOL USE.

STATE SHARE	\$ 15,000.00
LOCAL SHARE	<u>\$ 816.00</u>
TOTAL	\$ 15,816.00

CROOKED CREEK TRADITIONAL  
P.O. BOX 69  
CROOKED CREEK, ALASKA 99575

RESOLUTION #94 02

CROOKED CREEK TRADITIONAL COUNCIL  
 P.O. BOX 69  
 CROOKED CREEK, ALASKA 99575  
 PHONE 432-2200  
 FAX PHONE 432-2219

MARCH 28 1994

WHEREAS THE CROOKED CREEK TRADITIONAL COUNCIL RECOGNIZES THE NEED FOR CAPITOL PROJECTS; AND

WHEREAS THE VILLAGE OFFICE, CLINIC AND EQUIPMENT NEEDS U<sup>T</sup> GRADING AND REPAIR; AND

WHEREAS THE CROOKED CREEK TRADITIONAL COUNCIL WISH TO HAVE GOOD ACCOUNTING OF THESE PROJECTS; AND

WHEREAS THE CROOKED CREEK TRADITIONAL WILL HAVE THE CROOKED CREEK CORPORATION ADMINISTER THESE GRANTS USING AN ACCOUNTING FIRM; THEREFORE;

BE IT RESOLVED THAT THE CROOKED CREEK CORPORATION WILL ADMINISTER THESE GRANTS; AND

BE IT FURTHER RESOLVED THAT THE CROOKED CREEK TRADITIONAL COUNCIL ENDORSES THESE CAPITOL PROJECTS AS WRITTEN.

THIS RESOLUTION ADOPTED BY QUORUM PRESENT AT A SPECIAL MEETING HELD ON MARCH 28. 1994.

YEAS 3 NAYS 2 ABSENT

ATTEST

Johnny John Jr.  
 JOHNNY JOHN JR. PRESIDENT

28 march 94  
 28 MARCH 1994

Lorraine Parent-John  
 LORRAINE PARENT-JOHN SECRETARY

28 march 94  
 28 MARCH 1994

FORM A  
MUNICIPAL CAPITAL PROJECT MATCHING GRANT PROGRAM  
FY ~~1994~~ LIST OF PROPOSED PROJECTS

MUNICIPALITY: FOUR MILE ROAD COMMUNITY FY-1995  
 ADDRESS: PO Box 275, NENANA, ALASKA 99710 FAX: \_\_\_\_\_  
 GRANT ADMINISTRATOR: DOUG BOWERS TELEPHONE: 832-5569 PAGE \_\_\_\_\_ OF \_\_\_\_\_

PRIORITY NUMBER	PROJECT	STATE SHARE	LOCAL SHARE	PROJECT TOTAL	LEGISLATIVE SIGNATURES	HON DIST
1	RIP RAP PROJECT - ROAD STABILIZATION ON TANDNA RIVER	25000	1316	26,316		
2						
3						
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7						
8						
9						
10						
COLUMN TOTALS						

OMU RECOMMENDATION: \_\_\_\_\_ DATE FILES TRANSFERRED TO DOA: \_\_\_\_\_

## FORM B

## PROJECT DESCRIPTION

(Copy For Each Project)

For each capital project listed on "Form A" from this packet, please provide in writing the information indicated on the form below. You may use the form, or attach separate pages. The information must be clearly labelled as shown below:

1. PROJECT NAME *FOUR MILE ROAD CHIP RAP PROJECT*

Provide the name of the project, as it appears on "Form A". (Please be sure to provide a name for each project which indicates specifically what the project is. For example, do not simply list a project as "road improvements". Instead, list it as "road resurfacing for miles 1-10 of Sawmill Creek Road", or whatever is appropriate. When in doubt, please be more specific rather than less specific. Following this approach will greatly expedite review and approval of the project.)

2. PROJECT DESCRIPTION *SEE ATTACHED.*

Describe the essential characteristics of the project, including its purposes, stages, estimated duration, financing, and estimated time required for completion.

3. LOCAL SHARE *- LOCAL CASH*

Identify and explain the sources for the required local share (e.g., local cash, funding from other non-state sources, in-kind contributions allowable under AS 37.06, etc.).

**NOTE:** Please be as specific and informative as possible. Complete proposals will result in timely approval. If important details are omitted, follow-up requests for information will delay approval.

If you have questions either about what information to include, or how much information to include, please call Jack Fargnoll at OMB in Juneau at 465-3568 for assistance.

Four Mile Road Community, P.O. Box 275, Nenana, AK, 99750

## 2. PROJECT DESCRIPTION

The funds would be used to continue the rip rap (erosion control) project on the Tanana river bank in the Four Mile Road Community area. The area of the river bank that requires stabilization is adjacent to the access road to the community. This is the only access for the ten households that comprise the Four Mile Road Community. The rip rap project began in 1988 with the residents of Four Mile Road Community taking a collection from each household to purchase rock from a local contractor as an emergency stopgap measure to prevent the river from washing away the road. We have continued to purchase rip rap on a yearly basis with the money the community has received from the State Revenue Sharing program. This on going project has been successful to date in that we have been able to stabilize the river bank erosion in the vicinity where the river comes closest to the road. However, we are aware that in order to continue to insure adequate protection for both subdivision access and real estate, further rip rap will continue to be necessary. The scope of the project has expanded to include installing rip rap both up river and down river from the materials already in place and bolatering specific locations which seem to be hit hardest by the river.

A Fax from the  
Division of Energy  
Department of Community & Regional Affairs

Mailing Address

333 West 4th Avenue, Suite 220  
Anchorage Alaska 99501-2341

Physical Address

333 West 4th Avenue, Suite 220  
Anchorage, Alaska 99501-2341

Main Telephone Number (907) 269-4500

Fax Number: (907) 269-4685

Deliver Fax to: SEN. Pierce

Company Name: \_\_\_\_\_

Fax Number: 465-2187

Sender's Name: Herb Hensley

Sender's Phone #: 269-4641

# of Pages Sent: 3

Date Fax Sent: 4/9/94

If you don't receive this fax, please call the Sender directly.

SPECIAL INSTRUCTIONS TO FAX RECIPIENT: PER your  
request.

\_\_\_\_\_

\_\_\_\_\_ HERV \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## DIVISION OF ENERGY

### PROPOSED 1994 BULK FUEL REPAIR/UPGRADE WORKPLAN

Funding within the Division of Energy's Bulk Fuel Emergency Repairs and Bulk Fuel Upgrades programs is not adequate to perform complete repairs in more than four or five communities. Since the problems are pervasive statewide we need to maximize the use of our funds. We have come up with three different categories of projects that can leverage use of our limited funds to make a maximum impact on fuel storage problems in rural Alaska:

1. Perform limited scope emergency repairs to existing tank farms. These projects will primarily replace defective piping and valves. While not all deficiencies are corrected with this form of project, we have found this to eliminate the main source of leaks and spills and to satisfy the Coast Guard's requirements.
2. Provide matching funding and technical assistance toward full-scale upgrade projects that have other funding sources. This helps to ensure that communities that have obtained grants or direct appropriations from other sources will end up with a facility that meets all regulation and code requirements and will provide for long-term safe storage of fuel.
3. Provide seed money for full-scale upgrade projects that are privately financed. The provision of partial grant funding can help to obtain private financing. In order to qualify for grant funding the projects must be structured to serve the public good and not to only benefit private for-profit entities.

All three methods of project execution require oversight by the Division of Energy to ensure that cost effective solutions are employed and that facilities are designed and constructed properly. The vast majority of deficient rural fuel facilities were constructed with public funds without proper oversight.

Projects have been selected on a priority basis considering the following factors:

- **Need** - Facilities have been scored for deficiencies based on field surveys performed by Division contractors and staff and priority is given to facilities in the worst need of repair.
- **Permanent Solution** - Priority is given to projects that will be a permanent solution which will not require future State assistance or where the interim repair will become part of a future permanent solution.
- **Multiple Projects** - Priority is given to communities where multiple facility repairs can be accomplished in a single project thereby reducing mobilization costs. Also, whenever possible projects are selected in adjacent communities during the same construction season to further reduce mobilization costs.

On the following page is a list of communities where bulk fuel repair and upgrade projects are planned for the 1994 construction season. The projects are separated into the three categories defined above.

**EMERGENCY REPAIRS:**

Ambler  
Brevig Mission  
Elim  
Grayling  
Holy Cross  
Kiana  
Koliganek  
Nulato  
White Mountain

**MATCHING FUNDING:**

Gambell  
Kivalina  
Savoonga  
Shishmaref

**SEED MONEY:**

Chevak  
Emmonak  
Kwethluk  
Mountain Village  
Napakiak  
Napaskiak  
Quinhagak  
Sheldon Point

JFC  
3-29-94  
p.m.

**FY 95  
DEPARTMENT OF NATURAL RESOURCES  
CAPITAL IMPROVEMENT PROJECTS**

**Isabel Pass Pipeline Construction Camp**

**\$45.0 470 fund (pp 364-367)**

- **Focus.** This work camp site North of Paxson was potentially contaminated by operations during the TAPS construction.
- **Analysis.** The responsibility for the contamination has been murky over time. There is potentially serious contamination. It is state land and we have liability for it now.
- **Develop Solutions.** This funding will enable contracting with a DEC approved contractor for a site evaluation to determine the extent of the site contamination and if constructions materials were buried there.

**Multi-mission village Crews**

**\$500.0 FED (pp 368-372)**

- **Focus.** Controlled burnings need to be done to reduce the dangers of uncontrolled wild fires.
- **Analysis.**
  - The federal agencies are prohibited from hiring fire fighters for non-emergency work. The following Federal agencies: BLM, NPS, USF&W require controlled burning teams for about 300 days of work for trained fire fighting crews to mitigate high risk fuel conditions.
  - Reduction in overall cost by elimination of the incidence of large fires.
  - This project has a double benefit in that it makes use of our trained rural emergency fire fighting crews with meaningful projects and significantly reduces the dangers of major fires by reducing the fuels through controlled burning.
- **Develop Solutions.** This funding would provide 10, 16-person crews for up to 21 days to do controlled burnings on a contract reimbursable basis.

## Land Acquisition

650.0 GF (pp 373-378)

- **Focus.** The state needs to determine priorities and receive conveyance on its final 17 million acres to complete the 105 million acre entitlement from the Statehood compact.
- **Analysis.**
  - The state has selected 40 million acres from which it needs to prioritize and receive conveyance on its final 17 million acres.
  - The conveyance process will require prioritization and negotiations with Native corporations, federal agencies. Multi-resource assessment of the lands is necessary to optimize the state's final conveyance.
- **Develop solutions.** This funding will be used between Land and the Land Record Information Service to;
  - Implement the withdrawal revocation plan.
  - Relinquish low priority state selections as required by federal law.
  - Resolve land title conflicts and problems.

## Mental Health Reconstitution

\$450.0 GF/Mental Health Trust (pp 379-384)

- **Focus.** The Mental Health land issue is inhibiting development while it is being resolved.
- **Analysis.** This funding will complete the 4 year project to constitute the MHTL and protect the state's interest while resolving the impasse. It will release approximately 1 million acres for development or other uses.
- **Develop solutions.** This funding will be used for the Division of Land and 146.2 for LRIS for the department's work activities focusing on the remaining tasks of the
  - identification of conveyable original trust land and replacement land.
  - The final recordation of the current encumbrances of conveyable original trust land and replacement state land.
  - The recordation of the aforementioned conveyable lands to the state's status graphics record.

## Fire Equip

\$50.0 GF (pp 385-387)

- **Focus.** Need to protect 134 million acres from fire. Includes railbelt, 95% of highway system, & 50% of TAPS.
- **Analyze.** Much of fire equip is old, hand-me-down federal surplus equipment. High cost to repair. Low reliability. Exposure to OSHA violations for non-compliance, chain brakes etc.
- **Develop solution.** \$50.0 to purchase 50 chainsaws (@ \$360) and 14 fire pumps (@ \$2300)

## State Park's Emergency Repairs

\$50.0 GF (pp 389-301)

- **Focus.** The historic *Wickersham* Wickersham House is in danger of considerable structural damage due to a leaking roof and potential damage to the restored internal trim.
- **Analysis.** This priceless Alaska treasure is threatened because it needs a new roof. Tourism is a major component of the economy of the State and Juneau. This is a attraction of international appeal.
- **Develop Solutions.** This project would fund the replacement of the roofing to prevent further structural damage and to prevent damage to the historic interior finishes of the building. The original appearance will be retained. All rotten sections of roof decking will be replaced.

## Land Status Geographic Information System

\$250.0 GF (pp 302-311)

- **Focus.** Decision makers require correct land status information that is user friendly, lends itself to visual interpretation and manipulation, and is retrievable in a format that matches the needs of the user.
- **Analysis.**
  - Fund year 4 of a 5 year project to transfer the land status database from a manual to a digital format.
  - This funding level is determined by the remaining townships to be automated. Currently 4,330 townships out of 8,000 are automated. A reduced level would stretch the process out longer.

- **Develop solutions.** This will provide a tool that all resource development and resource based interests can use. We need to complete this project as we cannot be in two systems; manual and digital.

### **Mineral Inventory**

**\$225.0 GF** (pp 312-319)

- **Focus.** Identify new sources of geologic resources to sustain Alaska's private and public sector economies.
- **Analysis.** This project will fund the 3rd year intended to systematically survey 40 million acres of state land. This identification of likely mineral sites has the potential for spurring economic development.
- **Develop Solutions.** This project will be done in conjunction with Native Corporations where possible to share the costs. This project will be conducted in the Circle and Bonnifield districts and when completed will result in a file of information that can provide potential development sources for private and corporate investors.

### **Forest Practices**

**\$300.0 GF** (pp 320-324)

- **Focus.** AS 41.17.047 requires the Board of Forestry, working with the department, the Department of Environmental Conservation, The Department of Fish and Game and other affected agencies and parties, and the forest-dependent industries, shall conduct an annual survey or research needs related to forest practices.
- **Analysis.**
  - Will fund several initiatives to enhance the efficiency and determine the effectiveness of the 1990 legislated Alaska Forest Resources and Practices Act and ensure the riparian standards and Best Managed Practices are followed.
  - This project is necessary in order to comply with the FPA and to protect future timber sales from being challenged for not complying with the habitat protection effectiveness requirements.
- **Develop solutions.** Research projects will be contracted with the University of Alaska, Fairbanks, the Institute of Northern Forestry, other public agencies or the private sector after being proposed to, and reviewed by the Alaska Working Group on Cooperative forestry Fisheries Research. This project will fund 7 separate projects on water quality, fish habitat, buffer effectiveness, inventory

stream temps, cover, and tree buffer types.

The project will also fund public meetings with land owners for educational purposes to explain requirements and to receive customer feedback.

#### **Forest Inventory**

**100.0 GF (pp 325-337)**

- **Focus.** Management of state forests in a sustainable manner, as required by the Alaska Constitution and statutes, requires inventory awareness of types of forests by species, locations, size and growth.
- **Analysis.** Phase II of Tanana Valley Land Inventory needs to be done. Digitize harvested acres to update maps.
- **Develop solutions.** This funding will enable field samples in Fairbanks and Tok block and update the Forest Inventory Analysis in that area.

#### **SHPP National Historic Preservation Fund (NHPF)**

**640.0 Fed (pp 338-340)**

- **Focus - NHPF** provides 60/40 matching grants for state Historic Preservation Programs.
- **Analysis -** In order to qualify for this federal money, certain programs of the Alaska State Historic Preservation Program must be accomplished.
- **Develop Solutions.** The goal is to fund acquisitions, stabilization and restoration of properties listed on the National register of Historic Places that will stimulate economic development by supporting the visitor industry while also preserving these Alaskan treasures for future generations.

#### **Land and Water Conservation fund (LCWF) Fed Grants**

**\$500.0 Fed (pp 341-342)**

- **Focus.** 50/50 matching grant with federal/state & local to do outdoor recreation facilities.
- **Analysis.** The state receives federal funds based on the amount of congressional apportionment and a formula determined by the Department of the Interior. The agreement is between the state and the federal government. When a local governmental unit sponsors a project, an agreement is entered into between the state and that unit. Projects are selected by the nine member Alaska Historical Commission.

- **Develop Solutions.** Stimulate economic development in the state by supporting projects that support the visitor industry and create local jobs.

RS 2477

\$400.0 GF (pp 343-346)

- **Focus.** Because of the fragmented ownership of Alaska (federal 218 million acres 59%, State 104 million acre 28%, Native 44 million acres 12%, and private 5 million acres 1%) access is a critical issue. Over 1,500 potential RS2477 rights-of-way have been identified. Where there is disagreement on interpretation of right-of way application, the courts must resolve.

- **Analysis.**

- Revised Statute 2477 is a federal law passed in 1866 originally pertaining to mining that granted states and territories broad rights-of-way over federal lands wherever roads, trails, paths or other common routes existed.

- The law was appealed in 1976 however preexisting routes are grand fathered. Many have been traditional postal service routes, trails, mining claim access etc.

- This funding is the 2nd year of a two year project that will prepare the cases for legal challenges. There is general disagreement between the state and federal interpretations on key points such as width of right-of-ways, management of them, how much can they be improved etc.

- **Develop Solutions.** It is critically important for the state to optimize its accessibility to as much of its resources as possible. Unfortunately the avenue for this is time consuming, and expensive litigation.

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3-29-94 pm  
DNR

PROJECT TITLE: RS 2477			
LOCATION: Statewide		COMPLETION DATE: 06/30/95	ELECTION DISTRICT: All (99)
PROGRAM: Transportation		TYPE: Planning	
FUNDING	CAPITAL REQUEST	OPERATING COSTS	NEW POSITIONS (PFT)
1002 FEDERAL RECEIPTS	_____	_____	_____
1003 GENERAL FUND MATCH	_____	_____	_____
1004 GENERAL FUND	400.0	_____	Renew 9 existing positions (See pages 3 & 4)
1005 GF/PROGRAM RECEIPTS	_____	_____	
1006 GF/MENTAL HEALTH TRUST	_____	_____	
	_____	_____	
TOTAL:		400.0	

**PROJECT DESCRIPTION AND JUSTIFICATION:**

This is the second year of a two-year project to gather historical information and adjudicate potential RS 2477 rights-of-way. The first year was aimed at identifying routes to clarify "criteria" differences between the state and federal governments. The first year allowed the state to position itself for legal challenges through the established criteria cases. In addition, the first 500 key routes were researched and adjudicated. Any additional funding in future years will be for legal and court challenges and route land surveys.

Throughout Alaska, people depend on RS 2477 routes for access to public and private land, as well as to the resources of that land. Over 1,500 potential RS 2477 rights-of-way have been identified statewide. Many of these were traditional routes for postal service, public roads and trails (Alaska Road Commission and Bureau of Roads), and access to mining claims and other resource development sites. These routes may not be available for future use for recreation, resource development, community or state transportation systems unless they are certified by the state and asserted. In 1992, the state adopted regulations for nominating, identifying, and certifying these routes. In 1993, the legislature funded the assertion of up to 500 of these routes. This project will fund a continuation of this process. The 1993 funding produced research and documentation on approximately 500 trails of highest priority to the state. From these, key trails have been selected and are undergoing court action to validate the assertions and to establish precedents to guide the state and the public on further assertions.

**CAPITAL  
CP1 PROJECT  
DESCRIPTION**

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**PROJECT DESCRIPTION AND JUSTIFICATION CONTINUED:** Access is important for all uses of land and to all the land owners of the state. Access is necessary for resource development, recreation, and public roads. This request is of a statewide nature and benefits all the people of state.

**Assertions and Certifications [\$360.0]**

The project will assert an additional 300 routes. The federal government is considering a statute of limitations for asserting RS 2477 rights-of-way. To successfully certify an RS 2477 right-of-way, the test established under the original federal law must be met. The routes must be researched and the route mapped to show sufficient evidence that the ROW crossed public land at the time it was accepted as a public route and show that public users or a public authority accepted the route. This funding allows the DNR Division of Land to accelerate and complete assertion of RS 2477 ROWs prior to the anticipated statute of limitations.

**Geographic Information System Mapping & Land Records Notation [\$40.0]**

Once certified, the ROW should be mapped and platted to guarantee that future activities don't interfere with use of the route. This capital request will provide funding to provide continued GIS mapping and mainframe database support to the RS 2477 research and assertion team. In addition, this request will complete notation of the RS 2477's to the state's official land records that were asserted by the state in FY 94.

**WHY THIS PROJECT IS NEEDED:** Throughout Alaska, people depend on RS 2477 routes for access to public and private land, as well as to the resources of that land. This project's outcome is to ensure future access to those areas now and for future generations. Examples of RS 2477 routes being worked on include Eureka - Rampart, Knik Glacier, Jualin Mine Road, Denali Highway - Swede Lake, Poorman - Ophir, Taylor - Serpentine Hot Springs, O'Connor Creek, and Lignite - Kantishna.

**ECONOMIC STIMULATION:** Direct economic benefit to contracted surveyors for field survey and platting; substantial indirect benefit to provide access to resource development and recreational use areas now and for future generations.

**DIRECT REVENUE:** There is no direct revenue. Indirect revenue will be generated from royalty fees received for any resource development that may occur as a result of access or as revenue from the tourism industry as a result of improved access to recreational lands.

**CONSEQUENCES OF PROJECT IF NOT FUNDED:** These access routes may not be available for future use by the public and private enterprise for recreation, resource development, or for community or state transportation systems unless they are asserted by the state and certified.

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EXPLANATION**

**AGENCY:** Natural Resources

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**PROJECTED COSTS**

**Personal Services**

Assertions:		293.9
12 mos.	NRM I - PCN 101702	
12 mos.	NRO II - PCN 10N222	
12 mos.	NRO I - PCN 10N217	
12 mos.	NRO I - PCN 10N218	
12 mos.	NRT II - PCN 10N219	
7 mos.	3 Graduate Interns	

GIS/Status Graphics		40.0
12 mos.	A/P IV	

**Total Personal Services Costs** 333.9

**Travel**

Assertions:		10.0
Public Meeting and Research travel		

**Total Travel Costs** 10.0

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<b>Contractual</b>			
Indirect Costs	23.0		
Assertions	27.6		
Public Notice Ads & Postage			
Phone Service			
Photocopies of historical data & maps			
Vehicles & Equipment use fees			
<b>Total Contractual Costs</b>		<b>50.6</b>	
<b>Commodities</b>			
Assertions	5.5		
Office supplies, case file establishment, etc.			
<b>Total Commodities Costs</b>		<b>5.5</b>	
<b>TOTAL PROJECTED COSTS FOR PROJECT</b>			<b>400.0</b>

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EXPLANATION**

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5FC  
3-29-94 pm DNR

<b>PROJECT TITLE:</b> Mental Health Reconstitution Project			
<b>LOCATION:</b> Statewide		<b>COMPLETION DATE:</b> 7/1/95	<b>ELECTION DISTRICT:</b> All (99)
<b>PROGRAM:</b> Natural Resources Management		<b>TYPE:</b> Completion	
<b>FUNDING</b>	<b>CAPITAL REQUEST</b>	<b>OPERATING COSTS</b>	<b>NEW POSITIONS (PFT)</b>
1002 FEDERAL RECEIPTS	_____	_____	_____
1003 GENERAL FUND MATCH	_____	_____	_____
1004 GENERAL FUND	_____	_____	_____
1005 GF/PROGRAM RECEIPTS	_____	_____	_____
1006 GF/MENTAL HEALTH TRUST	450.0	_____	_____
	_____	_____	_____
	_____	_____	_____
<b>TOTAL:</b>	450.0	_____	_____

**PROJECT DESCRIPTION AND JUSTIFICATION:**  
 This project continues and completes the process of Mental Health Trust Lands reconstitution started in 1991, originally under the authority and requirements of Chapter 66, SLA 1991. Substantial aspects of the trust reconstitution process were completed in Fiscal Years 93 and 94, including most comparability, valuation, and title evaluations of Non-Conveyable Original Trust Land and Proposed Substitute Land. The work effort in FY 95 will continue the previous effort to convey and designate Original Trust Land and replace encumbered trust land with state land of comparable character and equal value.

a. **WHY THIS PROJECT IS NEEDED:** This project is needed to reconstitute the Mental Health Trust as required by the 1985 Supreme Court decision in *Weise v. State*.

b. **PUBLIC BENEFIT:** This project will result in the resolution of the long standing issues surrounding the Mental Health Trust Lands in the state. Principal among the benefits will be the protection of the current leases and contracts on Original Trust Land, protection of state Legislatively Designated Areas as well as the Municipal and University entitlements on Original Trust Land, and ability to issue pending patents and leases on Original Trust Land. In addition, a Mental Trust Health Authority will be created which will be able to actively manage and develop those state lands (about 950,000 acres) that will have been designated for management by the Authority.

**CP1 CAPITAL PROJECT DESCRIPTION**

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**PROJECT DESCRIPTION AND JUSTIFICATION CONTINUED:**

c. **PROJECT SUPPORT GROUPS/OPPOSITION:** Support for the resolution of the problems associated with mental health lands comes from a broad, diverse range of individuals, corporations, and local governments. One of the purposes of the mental health settlement is to eliminate the uncertainty over the use and ownership of lands affected by the mental health lands designation. This project creates certainty and predictability by eliminating the claims by the Mental Health Trust to properties owned by third party interests.

Under the terms of the proposed legislation, up to 400,000 acres of state land will be designated as Mental Health Trust Land for administration by the Trust. The intent of these designations will probably be to produce a revenue stream from resource rich lands. Some of the subsequent development activities conducted on these selections may impact environmentally significant areas. Opposition can be expected from environmental and some local community groups, including the Sierra Club, Trustees for Alaska, and the Audubon Society.

d. **ALTERNATIVES CONSIDERED:** The state has considered a variety of different methods to reconstitute the Mental Health Trust, including compensation for land and resource values; the rental of Original Trust Land; and the reconveyance of land and resources to the Trust, to compensate for the Original Trust Land that could not be conveyed because of existing third party interests. The current legislative approach, which provides for the conveyance of some Original Trust land and some state land, combined with overriding oil and gas revenues, seems preferable as well as constituting a viable and rapid solution to the Mental Health Trust reconstitution issue.

e. **PROJECTED REVENUES TO THE STATE:** Revenue will accrue directly to the Mental Health Trust Authority through the active utilization of both Original Trust Land and Substitute Land.

f. **CONSEQUENCES IF NOT FUNDED:** The Mental Health Trust reconstitution process will be halted. If the process of trust reconstitution is ended, the long standing issues surrounding Mental Health Trust Lands will reemerge. It can be expected that the Plaintiffs will re-initiate their claim to Original Trust Land and that prolonged litigation will ensue. This litigation will involve an attempt to reestablish as much Original Trust Land as possible, including that land already conveyed to individuals, corporations, and municipalities/boroughs. This litigation will also impair the development of all land classified as Original Trust Land.

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**PROJECT DESCRIPTION AND JUSTIFICATION CONTINUED:**

g. **SPECIFIC DESCRIPTION OF WHAT WILL BE PURCHASED WITH THIS INCREMENT:** This funding will complete the remaining tasks of mental health trust fund reconstitution. Given legislation approval of a settlement proposal involving land and money during the 1994 legislature, the department's work activities will focus on the remaining tasks of the identification of conveyable original trust land and replacement land, the final recordation of the current encumbrances of conveyable original trust land and replacement state land, and the recordation of the aforementioned conveyable lands to the state's status graphics record. There will be continuing project management responsibilities. We will also develop interim management guidelines for trust land management prior to the active management of trust lands in the Trust Authority, and coordinate the development of a settlement agreement or some similar document decision the responsibilities of the state and trust. The Division of Land will perform the title and project management responsibilities. The LRIS will provide programming support to the notation of the electronic record in the LAS, and will begin to annotate the state's status graphics.

**Division of Land**

Personal Services

NRM II	10-7006	77.4
NRO II	10-7003	56.5
NRO II	10-7002	62.2
NRO I	10-7012	49.6
CT III	10-1298	35.6
		<hr/>
		281.3
Other		1.2
		<hr/>
Subtotal - Division of Land		282.5

**Division of Support Services**

Personal Services

AP IV		80.0
NRO II		65.0
		<hr/>
		145.0
Other		1.2
		<hr/>
		146.2

5% Overhead		21.3
<b>Total Project Costs</b>		<b>450.0</b>

**CP1 ADDITIONAL EXPLANATION**

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i. **ECONOMIC DEVELOPMENT:** The Trust Authority will be required to manage its lands in a fiduciary manner. This will result in an active utilization of these properties. Because the lands conveyed to the Trust will consist of a variety of resource types, it is probable that the ensuring economic development will be quite diversified and spread geographically throughout the state.

j. **DOES IT REDUCE THE SIZE OF STATE GOVERNMENT:** The project is designed to transfer the management and administration of 950,000 acres of state land to the Trust Authority. Ultimately, there should be some savings in land management/development costs to the state through the transfer of management functions to this agency. In the short term, the project will not reduce the size of state government. However, this activity is project funded, and except for some continuing title and recordation work, project expenditures should end in June 1995.

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PROJECT DESCRIPTION AND JUSTIFICATION CONTINUED:

**Governor's Priorities.** Land transfers from the federal government to the state are the fundamental component of the Owner State. Land conveyed to the state provides most of the revenue that funds state government and contributes to individual and community wealth in Alaska. These land grants have not yet been fulfilled. The federal government owes the state, under the Statehood Compact, an area of land equal in size to the entire state of West Virginia.

**Public Support for CIP.** Resource development interests generally support additional state land conveyances. With changes to the federal mining laws looming, the mining industry in particular supports state conveyances of areas of federal mining claims. Sport hunting interests support conveyances of high use hunting areas, so the state can retain control over management of game resources. Federal land managers and some environmental groups wish to see conveyances to the state so that land ownership uncertainties are resolved.

**Projected Revenues to the State.** Most state revenues are generated from land acquired under the Statehood Act. The state's remaining entitlement will be fulfilled from lands with multiple resource values - including potential oil and gas, mineral, recreation, and other revenue generating lands.

**Consequences if Not Funded.** If this project is not funded, the state will not complete prioritization, and will not be able to work with ANCSA corporations and the federal government to expedite land transfers to the state. The rate of conveyances will be entirely controlled by schedules of federal agencies and conveyances will be limited in acreage and will not include many high value lands.. These agencies have shown a reluctance to reduce ANCSA overselections or revoke withdrawals. If this project is not funded, high-value selected lands will not be transferred into state ownership for many years. Another possible consequence is that the state will inadvertently take title to lower value lands that can be conveyed.

If the audit is not funded, the state will be dependent upon the federal Bureau of Land Management's interpretation of the status of individual selection records and overall acreage figures. The state will be at the mercy of the BLM in determining the status of our entitlements. Such federal agency interpretations have often differed from the state's to our significant disadvantage. For example, as a result of the audit prepared for the National Forest Community Grant, the state was able to select more than 20,000 additional acres than the BLM would otherwise have allowed. Because that grant was audited, the state had more defensible figures than either the BLM or the U.S. Forest Service.

**Economic Development.** Uncertain land ownership that results from conflicting land claims impedes resource use and development. By transferring more land into state ownership, the state will have more control over economic development. By resolving conflicting land claims and thereby enabling conveyance of high value lands, development opportunities will be enhanced.

**Alternatives/Relationship to Operating Budget.** Certain land conveyance items are funded under the operating budget, specifically the monitoring of the annual Conveyance Priority List (CPL) submitted to the BLM. Some staff to review incoming title are also funded through the operating budget. This CIP will result in increased conveyance of high-value lands.

CP1 ADDITIONAL  
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**PROJECT DESCRIPTION AND JUSTIFICATION CONTINUED:**

If not funded, the acquisition items funded through this CIP will not be undertaken. There will be no efforts made to expedite conveyances of high value land that is in conflict with ANCSA selections or administratively withdrawn. The efforts to audit and bring certainty to the state's land records will stop.

**What the Project Buys.**

Specific tasks to be performed by the Division of Land include:

- Newly structured conveyance priority lists (CPL) for each of several grant types. As a result of restructuring the CPLs, the state will gain more control over conveyance from the federal government and will ensure that the state is conveyed the best possible land under each grant.
- Complete the prioritization effort started in FY 94 and prepare a final report of resource values and priorities for selected lands. The state's requests to BLM for conveyances are driven by this prioritization.
- Negotiate with Alaska Native Claims Settlement Act (ANCSA) corporations to reduce their overselections and allow for conveyances to the state. Currently, almost 14 million acres of the state's 30 million acres of selections cannot be conveyed due to ANCSA selections. These tend to be the highest value lands for minerals, oil and gas, recreation, and development. There are no federal regulations that require ANCSA corporations to reduce their significant overselections.
- Implement the withdrawal revocation plan, resulting in the federal government removing some of the administrative withdrawals that currently prevent land transfers to the state on over 3 million acres of high value lands.
- Relinquish low priority state selections as required by federal law.
- Continue the audit of General Grant land selection files to determine inconsistencies and clouds to the state title, and to improve the accuracy of the state's land records.
- Review, perform quality control, and accept federal conveyances of land as designated in the Statehood Act.
- Resolve land title conflicts and problems.

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